

# **Final Evaluation Slovakia Local Government Program**

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## Acronyms and Abbreviations

ACM	Association of City Managers
AFO	Association of Municipal Finance Officers
CIDA	Canadian International Development Agency
EBRD	European Bank for Reconstruction and Development
E&E	Bureau for Europe and Eurasia of USAID
EERPF	Eastern European Real Property Foundation
EHP	Environmental Health Project
EU	European Union
FM	Financial Management
FTSG	Foundation for Training in Self-Government
GOS	Government of Slovakia
ICMA	International City/County Managers Association
IR	Intermediate Result
LSGAC	Local Self-Government Activities Center
MEL	Management for Elected Leaders
NGO	Non-Governmental Organization
PADCO	Planning and Development Collaborative
PSC	Public Service Contractor
RTC	Regional Training Center
RTI	Research Triangle Institute
SO	Strategic Objective
SLGP	Slovakia Local Government Program
SPWA	Slovakian Public Works Association
TA	Technical Assistance
TOT	Training of Trainers
TQM	Total Quality Management
UAHO	Union of Associations of Home Owners
UI	Urban Institute
UMOS	Union of Towns and Cities of the Slovak Republic
USAID	United States Agency for International Development
ZMOS	Association of Towns and Cities of the Slovak Republic

# **1 Executive Summary**

## **1.1 The Slovakia Local Government Program**

On the occasion of USAID/Slovakia's closeout, this final evaluation of the Slovakia Local Government Program (SLGP) focuses primarily on the areas of decentralization, training, and institutionalization. The evaluation seeks to identify lessons learned that may be useful in others countries in the region.

The \$11.9 million SLGP was broad ranging and multi faceted. It began in 1993 and closed in 1999. It included policy reform to encourage decentralization, support for new fiscal and credit policies, extensive training programs of local government personnel, technical assistance to cities and initiatives to decentralize and improve the management of water and wastewater enterprises, support for the development of housing associations, assistance to local government and professional associations, and a number of technical initiatives, among them new procurement laws, reduction of government subsidies, and local government asset management.

The SLGP was implemented under six separate major contracts managed by a US PSC under the supervision of the USAID Mission. In 1996, SLGP set up the Local Self Government Assistance Center (LSGAC) to serve as the technical and operational hub of several of the major emphases of the SLGP.

## **1.2 Findings and Conclusions**

### **Background**

The Slovakia Local Government Program (SLGP) strived to achieve more effective, responsive, and accountable local government. The Program had three intermediate results: better local government services; increased citizen participation; and promotion of decentralization. To achieve these results, the SLGP sought two sub-intermediate results – strengthened local government training institutions and strengthened local government associations - and developed a strategy to acquaint persons of influence with the full range of decentralization options. Training was an important element of almost every activity in some manner.

The Slovakia Local Government Program was successful in advancing the overall strategic objective. In the process:

- The training, support for local government associations, and selected technical assistance activities contributed to stronger local government in a number of towns.
- Broader citizen participation was achieved in a number of places.
- Decentralization came closer to realization.

The fundamental impact of this project came through its support for the institutions of local government at a time when neither the central government nor other donors had yet focused attention on local government.

### **Decentralization**

The SLGP played an important role in decentralization. It was recognized that this objective would take time to achieve, given political conditions in Slovakia: the central government was hostile to decentralization, particularly after 1996; the concepts and alternative means to achieve greater decentralization were poorly understood by both central and local government; local government leaders lacked confidence and experience and therefore did not lobby strongly for decentralization reforms; the professional organizations lacked the competence to take reasoned positions, and to lobby for them; collaboration between organizations was lacking, and therefore there was no unified constituency pressing for decentralization. The Slovakia Local Government Program addressed each of these constraints in a systematic and effective fashion.

Given the lack of political will, initial programmatic efforts were not successful. When the SLGP began, there was no clearly formulated strategy. The strategy that ultimately was put into place, in 1996, aimed to develop support for decentralization over the long term, working at various levels and with various groups. Efforts outside the government aimed to develop a coalition of interested parties that were capable of espousing well-reasoned viewpoints and the institutional capacity to support them. Efforts within the government aimed at developing a better technical understanding of policy issues, and a dialog on various issues. Collaboration with International Finance Institutions and other donors for more leverage and pressure on the government was also established.

This strategy proved effective. While the legal reforms have not yet been adopted, significant preliminary steps have been taken. There is no question that the project had an important, indirect impact leading up to the elections of 1998, and that the events since 1998 have been directly influenced by the years of preparation. In 1998, key Slovak project counterparts were confirmed in positions of power in the new government. In 1999, a government-sponsored commission on decentralization and reform was appointed to draft a comprehensive proposal for reform and decentralization. This proposal was adopted by the Government earlier this year, and a legislative agenda is awaiting approval by parliament. While there is vigorous debate on the reforms, it is expected that the legislative framework will be approved in 2001, and implemented in 2002.

Decentralization is discussed in more detail in section 6.

### **Training**

The capacity building component of the Slovakia Local Government Program

was the largest of all the components in terms of time, spending, and effort. During the Meciar Government (1995-1998), USAID focused predominantly on training local government officials (mayors, council members, city managers, and staff) to be better managers.

The SLGP created a training delivery system built on highly skilled trainers and 16 training organizations, principally the Foundation for Training in Self-Government and its regional training centers, working with the LSGAC. One of the most successful elements of the training component was the introduction of new interactive and participatory pedagogy absent from the Slovak education system.

Eight distinct training courses were delivered (Table 3). In addition, a handbook for newly elected government officials was prepared in 1998 and distributed to all locally elected officials in Slovakia. In general, the program of management training was well received by those who participated directly in it as trainers and trainees. The training provided was considered, on the whole, to be non-technical and this was considered a drawback by some of the people interviewed.

### **National Level Impact**

Interviews with trainees revealed that training is being applied in the daily management of some local authorities. (See Annex 3 for examples). Leaders of local government associations also reported that their training resulted in improved management of the associations.

Training for a critical mass of local government officials and staff at the historical juncture of independence for the Slovak Republic was not achieved. The number of people trained under the SLGP was small and far short of a critical mass of local officials. Thirteen percent (4,706 people) of the 35,000 locally elected officials participated in the Management for Elected Leaders (MEL) program, representing 21 percent of the towns and villages in the country. Only 755 people participated in the remaining courses, for a total nation wide of 15 percent of all local officials. (The percentage may be elevated as some trainees participated in more than one course.)

A major drawback with the training component was the delays caused by cumbersome and lengthy design and testing process for each course. This is particularly difficult to understand given that several of the courses only needed adaptation for the Slovak context from previously written manuals.

### **Sustainability of the Training**

While training continues on a limited scale, the delivery system for comprehensive training no longer exists. The system functioned well during the life of the project; the key element in making the delivery system work was USAID organizational and financial support. USAID subsidized the high cost of the design of the training materials as well as a portion of the cost of delivering each training program.

Municipalities, associations, and individual trainees covered a portion of the cost of each program, but it was small compared to the real cost. USAID subsidized some partner organizations' costs. LSGAC had a full-time staff of trainers who coordinated the partners' training activities, ensuring training needs of the local government officials met.

The system was not sustainable following the end of program activity because there was no ability locally to pay the full cost of the training programs, and no other sources of subsidy have become available. A year after the project ended, sufficient funds have not been forthcoming from other sources to cover the full cost of these programs. The assumption that USAID made in the beginning that the system would function with full cost recovery after the program concluded turned out to be false. This is an important lesson for the region.

When the SLGP ended, the training delivery system dissolved. This left local government without any one organization focused on increasing local government officials' skills. The various courses were divided up among existing organizations. This gave each organization/NGO a product to market, which might have potentially added value to that organization. This approach does not, however, support local government training. Most of the organizations do not have training as their primary mission and have not chosen to spend much time or resources in mounting or continuing training programs.

There is a lack of focus in any one institution to provide training for local government officials and staff. There is a lack of funding to pay for training. There has been a breakup of the system itself. Finally, there is an inability, and in many cases, disinterest of each separate organization to continue delivering its assigned course.

Finally, many informants noted that while the SLGP management training had been important to "jump-start" the training of local officials, it was now time for the central government to support Slovakian institutions that would do this training. This could be done in various ways. This could be accomplished through direct central government establishment of a training institution for local government officials. It could also be done through provision of central government grants to local authorities to buy training where they wish, or subsidies to the training institutions (private, public or NGOs) offering courses geared to local government officials and staff. Only when central government gives a subsidy is training likely to become more regular.

### **Additional Observations**

In terms of money and time, the effort expended on the design of training courses and production of formal manuals, was not justified by their use either during the project (most were not even ready until shortly before the project ended) or afterwards.

Given that so much effort was put into training, manuals and informational dissemination, USAID should have evaluated its real impact during the life of the project. This comment applies both to training (where there was no follow-up) and national



dissemination of manuals. It was not possible during this program evaluation to determine whether any of the skills training and manuals had any impacts aside from the pilot cities where they started. The principal evaluation of training was a count of the numbers of persons who participated, and there has been no evaluation of any kind of the information dissemination. This is a weakness of the program.

Training is discussed in more detail in section 8.

### **Institutional Development**

The 1990s saw a flowering of local government and professional organizations. Three of them, ZMOS (Association of Towns and Municipalities of the Slovak Republic), UMOS (Union of Towns and Villages of the Slovak Republic), and the AFO (Association of Municipal Finance Officers) are the associations most likely to succeed, measured against four fundamental criteria for sustainability of organizations: vision; capacity; demand for services; and local institutional support. Other associations may also succeed, however this is less certain.

SLGP recognized the political realities of the period. ZMOS was the dominant local government organization in the early and mid-1990s and SLGP worked closely with it. Dominated by smaller towns and villages, it was, nevertheless a non-partisan organization. While most support went to ZMOS, when the larger cities (many of which were controlled by opposition parties) formed UMOS, it also began to receive help from SLGP.

There is a connection between the support provided by the SLGP and the effectiveness of the three associations cited above.

- First, the organizations that appear to be the most successful are those that have a vision of who they are: that unites the membership; is systematically expressed; and is a part of the core of the organization. SLGP helped each of the three organizations to refine their visions.
- Second, the organizations that ultimately prosper not only have a vision but staying power through internal capacity that is characterized by dynamic leadership, good finances, and an ability to get things done. Each of these three organizations has demonstrated that it has these characteristics. SLGP helped each of the organizations to increase its capacity to carry out its functions more effectively.
- Third, these three organizations clearly respond to a demand in the country and their membership for the services they are providing.
- Finally, each of the three organizations is now considered an integral part of the fabric of local government organizations. They are consulted by the central government and each other and they advise the government on policy matters.

SLGP support enabled the associations to gain a seat at the table in the discussions that were ongoing during this period on the role of local government. Through the basic training described above, most of which was undertaken hand-in-hand with the associations, SLGP helped the associations to assist local government to become more effective.

Institutional Development is discussed in more detail in section 7.

### **Technical Assistance**

Technical assistance was provided on management issues to a number of cities with the goal of improving services. This complemented the effort to decentralize greater responsibility to the local level.

Technical assistance consisted of a number of activities that were loosely grouped together as improved systems intended to lead to more effective, responsive, and accountable local government. They included capital improvement programming, strategic planning, citizen participation in budgeting, local government asset management, service delivery transformation, water and wastewater management, and other kinds of technical assistance. American contractors worked with selected cities to develop these improved systems, with the intention being to disseminate the results to other cities through workshops, associations, and other means.

As recommended in the 1997 Mid-Term Evaluation, this kind of technical assistance was largely curtailed. Some of the technical assistance, such as citizen participation in budgeting, was successful on a limited scale. However, in general, the process was slow and quite complicated. The cycle of developing an improved system from scratch and then disseminating it was time consuming and ultimately relatively unsuccessful. Furthermore there was no clear dissemination strategy and therefore the intended impacts were unlikely to be major. With the closure of the project coming up in less than two years, USAID wisely decided to focus more heavily on training, decentralization, and institutional development.

Technical assistance is discussed in more detail in section 9.

### **Housing**

The team did not review in detail the activities of the program related to housing. However, the general sense is that the assistance was successful and highly valued. In each of the towns visited, city mayors and staff commented that housing privatization had proceeded well and that the associations of homeowners that had been established with the help of SLGP had facilitated this process.

### **Project Management**

The Slovakia Local Government Program was carried out under a number of

separate contracts, rather than as a comprehensive single project with one contractor. This created problems of integration and coordination of activities. For example, the housing activities were, for the life of the project, carried out independently of the training and support for associations. There was very little linkage between the program components. These problems were recognized by USAID and led to the creation of the LSGAC (Local Self-Government Activities Center) in 1996.

LSGAC was established as a technical project office, within which SLGP activities concerning training, associations, and decentralization were placed. However, the LSGAC concept was not sufficiently thought through or developed. First, it never included more than two of the contractors and only some of the components of the USAID project. Also, its future was never clearly defined. Initially, the assumption had been that it might become a local NGO that would carry on as a local government training organization and would carry out consultancies after the close of the SLGP. This idea was abandoned in favor of parceling out the training functions to other NGOs, as described above. LSGAC died when the project closed.

Because the program had so many facets, it was difficult for the USAID managers to know precisely what was happening in any one area. The Evaluation believes there was a certain dimension of contractor-driven activity, some of which was unnecessary, some which was not useful or productive, and some for which there was no real interest or demand for the activity on the Slovak side.

### **1.3 Lessons Learned**

The SLGP provides a number of useful insights and lessons into local government issues and transformation. In particular, it is hoped that these lessons may prove useful to other USAID local government programs in the region.

#### **Policy Reform**

- Policy reform under an uncooperative central government is sometimes difficult, but can have a very positive impact. It should form a part of every local government program. When asked if policy reform efforts were premature, given GOS attitudes toward decentralization, respondents said that it had been very beneficial that USAID had prepared the groundwork and provided a forum for the technical discussions between all parties and had provided technical information for reflection. The best way to do this was to provide a non-political forum, and to provide solid technical information early on. This validates the approach to work on decentralization even if the central government is not supporting it.
- Policy reform does, however, take a long time and must be carefully prepared. It is important to bring government and non-government parties together. It is also

important to include central government officials in the dialogue and to create diverse fora for the dialogue, which will give more credence to the effort, and by extension, to local government. Policy reform demands time. Therefore, it is unlikely that there will be results in the short term.

- Policy reform, and decentralization in particular, produces winners and losers, as some gain power and some lose; therefore, it is important to help the actors to understand how they may gain from reforms, in order to get their support

### **Institutional Development**

- Long term results are often best achieved through the development and nurturing of local organizations and associations that are interested in the subject matter not because there is a donor present, but because they have their own genuine interest in the profession or in the concepts of local government. It is essential to find those organizations and to figure out with them how to best support their long-term development. Supporting the establishment of new organizations is never easy but should be carefully assessed, as it may be the correct course (witness the case of the AFO).
- Associations need to provide the services to their members that the members themselves most need at that moment, rather than the services that the funding organizations believe are needed. In most transitional countries, lobbying for policy changes - the structure of local government and the relations between central and local governments is often the most important institutional objective, rather than undertaking training programs for members to help them improve their job skills.
- Assistance to associations should be a mixture of training, technical assistance, study tours, issues workshops, and other forms. The assistance should be designed in consultation with the organization with the view toward building a viable organization in the long-term.
- Assisting associations to become sustainable is a long-term process and raising funds is often very difficult. It does not necessarily mean that the association is not valued by its members but rather may reflect the financial realities in a transition economy. Accordingly, innovative financing means must be sought from the beginning, such as those worked out by the AFO with cooperating cities. This may mean a longer dependence on grants from donors than one might wish.

### **Training**

- It is important at the beginning of a program to not only assess training needs but also to assess institutional capacity with a view toward supporting long term sustainability of training efforts.

- Training of local government staff and councilors is very difficult to sustain financially. Cross subsidy or donor assistance should be factored in, or provided, to assure post-project sustainability. A careful assessment of the potential role of the private sector is also needed prior to beginning a training program in order to assess whether there might be a role for certain kinds of private organizations. The simple lesson here is that most training is not financially sustainable without subsidy.
- A separate lesson is that other donors will not necessarily want to support nationwide training efforts.
- Training is usually one of the first areas to suffer if there are financial shortfalls, and when there is no centralized training institution with a clear funding source, one can expect problems in sustainability, despite recognition of large-scale needs.
- Nationwide training, although more expensive than regional or specific city training, can have significant advantages. By doing training nationwide, USAID was able to increase recognition for local government as important and to build a constituency for it.
- Study tours, although more expensive than many other kinds of training, can have a high payoff if they are used judiciously and take place at strategic times; they are often less useful if undertaken early in the process. It is essential to concentrate on people with real or clear potential for decision-making authority.
- Training needs shift over time. Therefore, care must be exercised not to prepare elaborate manuals or training materials that will quickly be out of date and will not be used. Resources dedicated to training of trainers, and helping organizations gear up for training will have a more long-lasting impact.

### **Technical Assistance**

- Pilot activities, no matter how successful, are likely to have limited impact unless there are mechanisms in place for effective dissemination of the message. Effective dissemination of the message requires planning from the beginning of the pilot. It requires understanding how local authorities best learn new techniques and information. This requires analysis rather than assumption. It requires consulting those in the best position to know.<sup>1</sup>
- Components that are based on working intensively with individual cities to achieve better management practices in complicated technical areas are unlikely to be good candidates for replication because of the amount of time and effort needed and the difficulties of transferring experiences.

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<sup>1</sup> The study undertaken in Poland as part of the USAID Local Government Partnership Program by Dan Hall, "How Municipalities Learn" is an excellent example of the kind of work needed before a program is designed.

- It is important that there be a thorough understanding of the likely consequences of particular policy reforms and the applicability to the circumstances in a particular country. In the area of water and wastewater, the attraction of decentralization of authority appears to have outweighed a balanced review of whether this approach made sense in a small country such as Slovakia.

### **Project Implementation**

- Multiple contracts for project activities should be avoided or minimized. Where this is not possible, strong coordinating mechanisms combined with structured Mission oversight need to be firmly in place.
- It is important to maintain a well-focused program. This means that multiple activities with little apparent connection should be avoided. Concentration on important elements and work on sustainability of organizations and concepts in a few areas should be the goal.
- Project designers and implementers need to be wary of promoting practices that are outside the legal authority of local government. These will only be adopted with difficulty by local authorities. Assistance on new methods should be complementary to changes in the legal framework.
- Teaming up with other donors can be effective, especially to give more visibility and impact for major policy issues: For example, the USAID/FDI conference on Decentralization was a big event that had the imprimatur of the World Bank.
- Coordination with activities of other donors will increase impact. If no one else is doing it, USAID should take the initiative and assure informal but on-going coordination.
- EU candidate countries can potentially attract assistance for policy reforms that will lead to accession, but financial institutions (lenders) have not been able to play a significant role in providing assistance.

### **Post-Project Activities**

- Careful thought and planning must be given when establishing post-presence grant mechanisms to insure that the full range of partner institutions is eligible. This means undertaking a careful review of organizations that are likely to be important in this period and tailoring grant mechanisms to include them.

## **2 The Evaluation Report**

### **2.1 Objective of the Evaluation**

USAID has evaluated the results of the Slovakia local government program in order to (1) clearly identify and document the strengths and successes of the effort, and; (2) determine what lessons might be learned that would be useful for other local government programs in the Europe and Eurasia region. Although the local government program itself included substantial components in housing and infrastructure related activities, this evaluation focuses more narrowly on decentralization, institutionalization, and training. The Statement of Work for the evaluation is found in Annex 1.

### **2.2 Evaluation Team and Methodology**

A three-person team consisting of Bonnie Walter, Housing and Urban Development Specialist in the E&E Bureau, Janet Kerley, Evaluation Specialist in the E&E Bureau, and Michael Lippe, Consultant, carried out the evaluation. In June the team spent 9 days in Slovakia focusing on answering a set of questions found in section 5. The team engaged in a series of key informant interviews with associations and central government, focus groups with people who had participated in the training programs, and meetings with local authorities that had benefited from the program. Ms. Walter concentrated her interviews in Bratislava on decentralization issues. Ms. Kerley interviewed training related organizations in Bratislava, Martin, Robinski, Zvolen, and Nitra and conducted focus groups and interviews with trainees. Mr. Lippe met with local government and professional associations and local governments in Bratislava, Trnava, Zvolen, Lucenec, and Trencin.

### **2.3 Structure of this Report**

Sections 1-4 provide the executive summary and brief background information on the local government program and conditions in Slovakia. The main emphasis of the report is in the analytical sections that follow concerning decentralization, institutionalization, training, and technical assistance. The report then reviews other donor programs and draws some final conclusions.

## **3 The Slovakia Framework**

For much of the period from the time of independence in 1993 until September 1998, Slovakia was headed by a Prime Minister and coalition government that did not embrace the precepts of meaningful decentralization and strong and independent local government. The rule of law was in question during much of this time.

Although the new Slovak Constitution contained the basic framework for a strong local government system, the central government was reluctant to cede real authority to lower levels of government, especially when that meant greater authority to the larger cities, where the opposition parties were generally in control. This meant that in many cases the USAID local government program fought an uphill battle in attempting to introduce the concepts of decentralization, privatization, and citizen participation. Local authorities and local government associations were nascent and not yet strong enough on their own to demand the changes needed.

The SLGP needs to be understood in the light of the overall USG strategy to encourage stability and democracy in this sub-region and the ongoing political struggle that was taking place. Having a strong local government was thought to be an integral part of this process. The September 1998 elections saw the installation of a reform coalition government, one that was committed to good governance, the rule of law, and transparency and accountability. The fruits of this dramatic electoral change are already being felt in the new laws that are making their way through the government and Parliament that are intended to confirm decentralization and the roles of local authorities. While there are disagreements among the coalition partners on important issues, it appears that local government is emerging as a strong institution.

## **4 The Slovakia Local Government Program**

The \$11.9 million Slovakia Local Government Program (SLGP) was broad ranging and multi faceted. It began in 1993 and closed in 1999. It included policy reform to encourage decentralization, support for new fiscal and credit policies, training of local government personnel, technical assistance to cities and initiatives to decentralize and improve the management of water and wastewater enterprises, support for the development of housing associations, assistance to local government and professional associations, and a number of technical initiatives, among them new procurement laws, reduction of government subsidies, and local government asset management.

### **4.1 Goal and Objectives**

The goal and objectives of the program are embodied by Strategic Objective (SO) 2.3 More Effective, Responsive, and Accountable Local Government. This SO is depicted in Annex 3.

There are three intermediate results (IR), as follows:

1. Improved Capability to Deliver Services and Manage Resources Efficiently.
2. Improved Capability for Public Outreach and Citizen Involvement Increased.
3. Decentralization and Rationalization of Authority and Resources.

There are also three sub-intermediate results, as follows:



1. Strengthened Local Government Training Institutions.
2. Strengthened Local Government Professional Associations.
3. Strengthened Representation of Local Government Interests.

## **4.2 Program Phases**

The program was carried out in three broad and overlapping phases.

The early program, or first phase of the program, from 1993 to 1996, concentrated on a number of technical issues involving the devolution and privatization of environmental health (water and wastewater) activities, along with a host of housing and development related issues, among them privatization of city owned apartments, procurement, and public works issues.

In 1995/96, housing and environmental health activities continued to constitute the major share of program expenditures. However, in this second phase, new activities were initiated in support of local government associations and for training of local government personnel. More emphasis was placed on supporting changes in the legislative framework that would ensure decentralization. A major effort began to develop, document, and disseminate improved local government management processes, also known as best practices.

From 1997, following an evaluation of SO 2.3 that recommended program changes, the program's third and final phase emphasized training, decentralization, and support for sustainable local government organizations. The best practices approach was phased out in favor of increased training. While housing and other technical assistance continued, the focus of the program changed.

## **4.3 Contract Vehicles**

The program's activities were implemented through a series of separate contracts. As indicated above, although linked together in concept, many of the activities were implemented without significant coordination.

Decentralization and local government support was implemented through RTI – the Research Triangle Institute. The RTI activities were initiated in September 1996. They were characterized as a program to improve local government functioning by (1) developing, documenting, and disseminating best practices in local government management and service delivery, (2) assisting the formation and/or strengthening of professional, municipal, and training organizations, and (3) supporting increased cooperation among municipal groups involved in policy advocacy and local governance.

Improving municipal management was carried out through ICMA – the International City/County Managers Association. ICMA activities were characterized as a comprehensive municipal management and governance program that would improve

(1) the governance, technical, and managerial skills of elected and appointed officials, and (2) the training and professional development capabilities of local institutions.

Through the Environmental Health Project (EHP), the SLGP worked to create a legislative, governmental, and political environment so that cities and towns could acquire control of the water and sewer operations serving their communities. This work was carried out primarily by RTI.

The Housing Privatization and Management of the Local Housing Stock Program, managed by the Urban Institute consortium, including PADCO (Planning and Development Collaborative) covered a wide range of activities, going far beyond privatization issues and including housing policy, procurement, and strengthening of housing associations.

## **4.4 Major Events in the Program**

### **Establishment of Local Self-Government Assistance Center**

The establishment of the LSGAC was an important event in the life of the project. It was an attempt, only partially successful, to improve coordination among the different project components, principally those managed by RTI and ICMA, by co-locating their staff in the same offices. LSGAC served as the technical and operational hub for U.S. assistance to local governments until it closed in 1999. While it was a step in the right direction, integration and coordination of project activities never achieved the levels desired by USAID.

### **1997 Evaluation**

In 1997, an evaluation of SO 2.3 was undertaken by an external consulting firm. As a result, there was a significant change in emphasis in USAID's approach. Technical assistance to cities was effectively reduced and the funds saved were pumped into training programs. By 1997, the decision had been made to phase out the USAID program in the year 2000 and it became important to focus on those activities that would have a clear impact by then, as well as to emphasize support for decentralization.

## **4.5 Budget**

Table 1 on the next page summarizes the costs of the different contracts during the life of the program.

**Table 1: SLGP Budget**

Contractors	Amount (\$000)	Activities
ICMA	5.865	Training & Associations
RTI	1.206	Best Practices, Associations & Decentralization
UI	1.581	Housing
PADCO	1.508	Public Private Partnerships and Public Works Issues
EERPF <sup>2</sup>	0.530	Housing
EHP	1.215	Water/Wastewater and Miscellaneous
Totals	11.905	

## 5 Evaluation Questions and Answers

The team was asked to respond to a number of specific questions in this evaluation. It has provided answers below, related primarily to its three major areas of inquiry - decentralization, sustainability of organizations, and training. More detailed information is to be found in sections 6 through 9.

### **Question 1: How and to what degree did the project attain the goals and objectives established by USAID?**

The project advanced the goal of more effective, responsible, and accountable local government. There is an improved capability on the part of local government to deliver services and an improved capability for public outreach and citizen involvement. The project strengthened local government and professional organizations as well as the representation of local government interests at the national level. While there was an extensive and often successful training program, the project did not lead to the establishment of sustainable local training institutions. The project did not achieve increased decentralization or rationalization of authority and resources, but it did help to set the stage for significant government reform in these areas.

### **Question 2: What were the concrete impacts of the project?**

The fundamental impact of this project came through its support for the institutions of local government at a time when neither the central government nor other donors were keen to do so. This meant helping local government staff, mayors, and councilors understand and do their jobs more effectively, through training and support for local government and professional associations. The impacts of the project were better functioning organizations, better trained local governments, greater awareness among key decision-makers of the fiscal and political implications of different models of

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<sup>2</sup> Eastern European Real Property Foundation, an American NGO.

decentralization, new national laws on procurement and subsidies, and progress in the privatization of municipal housing and the creation of homeowners associations. Technical assistance to a number of cities resulted in direct improvements in their budgeting process and in increased citizen participation in their activities.

**Question 3: What aspects of the program had the largest impact in terms of attaining goals and objectives?**

The decentralization policy reform work had a great impact on furthering the cause and the course of decentralization and stronger local governments for the immediate future. The long term results of having helped the local government and professional associations to become better established are likely to have very important impacts on attaining the SO goal over the next ten to fifteen years

**Question 4: How sustainable is the training provided to local government technical and elected staff by the regional training institutes: the Local Government NGO, the Finance Officers Organization, the municipal associations, and the intergovernmental commissions?**

The team concluded that the training provided, while useful and important in many ways, has not proved to be sustainable. Associations and other NGOs do not provide training on a regular basis.

**Question 5: How did project activities influence or lead to specific changes?**

SLGP sponsored several in-depth studies, which were influential in the thinking on decentralization, and had a direct impact on the reform legislation now being considered by Parliament. Technical assistance concerning management, budgeting, citizen participation, and other services provided by municipalities contributed to important changes in a number of cities. SLGP support helped to establish the Association of Finance Officers and helped to move UMOS and ZMOS toward sustainability.

**Question 6: Which activities were deemed most useful by those involved that are now still in policy positions?**

The discussions and seminars on specific decentralization topics were thought to have been very useful. Study tours were unanimously said to have been productive because they gave a better view of what was possible, and demonstrated different alternatives to the participants. With regard to the local government officials, the good day local government project<sup>3</sup> was repeatedly cited as having been very useful to the new councilors who were elected and took office in early 1999. Other activities mentioned included the elected leadership training for councilors and the training for finance officials.

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<sup>3</sup> The Good Day Local Government exercise provided a manual on local government to all local government councilors.

**Question 7: What concepts or methodologies or institutions introduced by the project have been used and or replicated?**

The following is a short list of activities that have been used and/or replicated:

- Analysis model for targeted subsidies
- Experiential training methodology
- Creation of housing associations to manage private multifamily housing.
- Contracting for private management services for housing
- Value engineering
- Consultation and inclusion of non governmental organizations and local government in decision making at national level when it affects local government(representation on reform bodies)
- Method for restructuring the water company in Trencin

Not all models were used or replicated, however. The following are examples of those that were not used or replicated.

- Asset management
- Public/private partnerships
- Borrowing for condominium upgrading
- Restructuring and decentralization of water companies: policy is under review.
- Construction data-base
- Energy conservation in publicly owned housing

Finally, it should be added that many of the specific training courses have not been repeated because of a lack of funding.

## **6 Decentralization**

The SLGP played an important role on decentralization. It was recognized that this objective would take time to achieve, given political conditions in Slovakia: the central government was hostile to decentralization, particularly after 1996; the concepts and alternative means to achieve greater decentralization were poorly understood by both central and local government; local government leaders lacked confidence and experience and therefore did not lobby strongly for decentralization reforms; the professional organizations lacked the competence to take reasoned positions, and to lobby for them; collaboration between organizations was lacking, and therefore there was no unified constituency pressing for decentralization. The Slovakia Local Government Program addressed each of these constraints in a systematic and effective fashion.

Given the lack of political will, initial programmatic efforts were not successful. When the SLGP began, there was no clearly formulated strategy. The strategy that ultimately was put into place, in 1996, aimed to develop support for decentralization over

the long term, working at various levels and with various groups. Efforts outside the government aimed to develop a coalition of interested parties that were capable of espousing well-reasoned viewpoints and the institutional capacity to support them. Efforts within the government aimed at developing a better technical understanding of policy issues, and a dialog on various issues. Collaboration with International Finance Institutions and other donors for more leverage and pressure on the government was also established.

This three-pronged program was relatively loose, and was supplemented by other activities, as targets of opportunity arose. If major change was not yet possible, then the project would seize every opportunity to prepare the way, and keep the issues alive and under discussion until such time as a political solution became possible.

This strategy proved effective. While the legal reforms have not yet been adopted, significant preliminary steps have been taken. There is no question that the project had an important, indirect impact leading up to the elections of 1998, and that the events since 1998 have been directly influenced by the years of preparation. In 1998, key Slovak project counterparts were confirmed in positions of power in the new government. In 1999, a government-sponsored Commission on Decentralization and Reform was appointed to draft a comprehensive proposal for reform and decentralization. This proposal was adopted by the Government earlier this year, and a legislative agenda is awaiting approval by Parliament. While there is vigorous debate on the reforms, it is expected that the legislative framework will be approved, and implemented by 2002.

While the project valiantly (and sometimes successfully) attempted to win small victories, it was increasingly clear that no significant successes in decentralization could be attained until there was a change in the political constellation. Given that reality, what was done that effectively prepared for the moment when the political situation became favorable for policy reform? What were the indirect or direct effects of these activities? And what was done after the elections when the political situation was favorable, in order to make policy reform a reality? And finally, what lessons can we learn from this experience? The following sub-sections respond to these questions.

## **6.1 Activities in Support of Decentralization**

- **Widening Understanding of What Were the Issues of Decentralization**

To accomplish this, periodic seminars were organized, often with local or foreign expert speakers to which a diverse group was invited to participate. Often a paper on a specific topic, prepared by a Slovak, was the basis for the seminar. There was a conscious attempt to reach out, and to inform audiences who could be part of a coalition in favor of policy reform, and to help them understand why decentralization would positively affect them. As a result, a number of non-governmental organizations became supporters of decentralization and in the case of the professional associations, initiated lobbying efforts on specific topics.

- **Providing a Depolarized Setting for Debate**

Roundtable settings, sometimes in the project office, provided a venue where technical personnel from government could exchange views outside of polemics or politics, with groups that they would otherwise not encounter, such as local government officials, and leaders from the different professional associations. The establishment of “technical” contact between various groups was a first and necessary step. It led to the development of some working relationships “across borders”, and allowed each side to hear the views of the other side, and become familiar with their reasoning, their argument, and also, their perspectives and interests. This all bore fruit at a later stage, when the reform platform was prepared, and negotiated with political groups.

- **Deepening the Understanding of Key Issues of Decentralization**

Support of research and analysis insured that there was adequate data to support a coherent analysis of policy alternatives and their implications for Slovakia. Project support for analysis of the financial condition of Slovak municipalities, for example, was fundamental to developing alternative scenarios of fiscal decentralization. This “technical” preparation was carried out by academics, and by local “Think Tanks”. These studies provided the inputs for technical discussions, generally via conferences, prior to the elections, and were widely distributed by the project office, and by professional associations, to their membership. The research and policy papers were a means of keeping the issues on the table, but more important, provided a solid base of data and analytical thinking that led in 1999 to the “Reform Strategy” of the Government Reform Commission (under the Prime Minister’s Office). A secondary, but equally important effect was to create a critical mass of experts with an in-depth knowledge of the issues needing resolution, and the alternative solutions.

- **Institutional Support for Existing Municipal and Professional Associations, and Assistance to Establish New Associations of Local Government Professionals**

Professional groups were pivotal for the creation of a coalition supporting decentralization. As their institutional and organizational capacity expanded, the groups began to lobby central government, and eventually became the vehicles for implementing project activities. This gave them higher visibility and stature. Project advisors helped the associations to inform and educate their membership via seminars, meetings and newsletters, to prepare positions on specific legislative and regulatory issues that could affect them, to articulate and present the positions, and to use media in support of decentralization.

- **Collaboration amongst Professional and Municipal Groups**

Equally important to encouraging associations to lobby for their viewpoint was the

effort to get associations to work together to promote decentralization. In-fighting and conflicting interests are constant problems among local government organizations, and lead to a weakening of the coalition. The project promoted collaboration of municipal groups, via an informal mechanism, the Local Government Roundtable.

- **Developing Self-Confidence in the Ability and Capacity of Local Government to Manage Increased Authorities and Responsibilities**

As the associations learned to present themselves and their viewpoints in a sophisticated and professional manner, the government was less able to present central control as a reaction to lack of capacity at the local level.

- **Programmatic Collaboration with other Donors to Leverage Impact**

Collaboration was established with other donor efforts, and in particular with high visibility and high impact International Finance Institutions, in an attempt to increase influence on the government. As an example, collaboration was initiated with the European Bank for Reconstruction and Development (EBRD), to initiate municipal lending for infrastructure through a municipal credit bank. There is a direct link between the decentralization of the fiscal system, the revenue raising capacity of local governments, and their ability to access the capital markets for infrastructure investments. USAID was determined to highlight the inability of local government to access infrastructure credit in order to leverage fiscal policy reform. It offered technical assistance for an EBRD municipal infrastructure loan program that would have required policy reforms as a condition precedent. While the loan program was ultimately scrapped by EBRD, the failure of the existing credit system highlighted the financial weakness of cities, the inability of the centralized system to adequately provide for infrastructure, and the financial and legal impediments to a healthy credit environment. By working with a high profile donor, USAID was able to focus both local and central government attention on the flaws of the centralized system. The inability of central and local government to finance infrastructure in a consistent, equitable and timely manner commensurate with needs was well-established, but was highlighted when the central government was unable to access funds from a powerful international lending organization. This example demonstrated the usefulness of using a heavy-hitting ally to leverage attention and highlight problems.

Another example of effective leveraging for greater effect was USAID Slovakia's partnering with the multi-donor Fiscal Decentralization Initiative. This international initiative, led by the World Bank, invited the Government to participate in their program; the prestige accorded by association with the donors led the government to accept sponsorship of what became a significant conference, the first public discussion of decentralization including all actors. Because the government lacked the organizational capacity to design and manage the conference, USAID was asked, in its role of participating donor, to assist the government. The opportunity was seized on as a means to turn a nascent "intergovernmental working group" into a



conference Steering Committee, giving it visibility and prominence, and insuring the inclusion of non-government organizations. Through the guidance of Resident Advisors, USAID was able to influence the agenda topics, get research and policy papers funded, and highlight the decentralization agenda in a very well-publicized and widely attended forum, characterized by participants as “the beginning of real discussion” of decentralization. It is important to stress that the international backing and funding for the initiative was critical in order for the government to participate seriously, to get publicity for the issues, and as a side effect, to give weight to the USAID supported institutions.

## **6.2 Activities With Direct Impact**

Certain activities were important in influencing individuals who eventually held positions of power, following the 1998 elections. It is useful to pinpoint the types of activities that are most likely to make a difference and be effective tools in opinion-formation.

- **Study Tours to the U.S.**

There were two study tours designed for policy makers, one concentrating on regional policies, and the other on local government. The participant groups were a mix of central and local technical staff and policy makers. The fact that the group was mixed was significant, and gave both sides an opportunity to see the same things and share a common experience and reference point. That participants were carefully chosen was also very important: today’s actors are yesterday’s study tour participants. It cannot be sufficiently stressed that it is critical to concentrate attention on persons with actual, or potential, decision making authority, and not waste this resource on political rewards. Participants agreed that the study tours provided them with an important “reality test”, enabling them to see how decentralization works in real life, as opposed to theory. Finally, the judicious timing of the study tours was important, and also a lesson in the importance in flexibility in programming. A final study tour took place at the very end of the project, when it had become clear who were the new decision makers, and when policy reform was imminent. The project was able to provide a useful experience to the right people, at the right time.

- **Technical Seminars on Decentralization**

Following the elections, the Prime Minister’s office established the Commission for Reform, whose brief was to make recommendations to the government on structural issues including decentralization.<sup>4</sup> . USAID seized the opportunity to support the government’s initiative, helping to formulate and structure the debate through technical seminars attended by a diverse audience, and supported by well thought-out discussion papers laying out issues and alternatives. All respondents point to the

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<sup>4</sup> Several main counterparts of the USAID program were represented on the Commission, including the director of a think tank, and the presidents of municipal associations.

seminars as instructive and useful to their thinking. This activity demonstrates the importance of collaborating with the government to move the dialogue forward as soon as political will for decentralization is manifest.

### **6.3 Conclusions**

Several conclusions can be drawn from the Slovak experience in policy reform and decentralization that are useful for local government programs in the Europe and Eurasia region, as well as elsewhere.

- First, when faced with a government that is hostile to decentralization and policy reform, a local government project can make a significant contribution by developing and deepening understanding of the issues, by developing a diverse political and technical constituency and coalition that supports reform, and by assisting multiple actors - central government together, local government organizations, think tanks, and academics.
- Second, building coalitions is important - coalitions of international institutions as well as coalitions locally that will promote and sustain the process.
- Third, policy reform and decentralization in particular, produces winners and losers, as some gain power and some lose. Therefore, it is important to help the actors to understand how they may gain from reforms, in order to get their support. This holds true for central government, the potential loser of power, as well. Central government needs to be convinced that the current system is unworkable in the long run, and that it is in their self-interest to make changes.
- Policy reform is a long and slow process, and even when the political will is present at the top, if the constituency building, and coalition building and understanding of issues are lacking, then the reforms will either not gain support, or will fail in implementation. Donors, especially USAID with its abbreviated time lines in the Europe Eurasia region, must be prepared to spend at least five years to see the process through.
- Success is dependent, ultimately, on political will, which is usually demonstrated through elections. Nonetheless, a project that develops the basis for policy change can make a huge contribution to the ultimate success of the political opportunities.

## **7 Institutional Development**

The 1999 USAID pamphlet on sustainability, “Maximizing Program Impact and Sustainability: Lessons Learned in Europe and Eurasia”<sup>5</sup>, viewed sustainable institutions

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<sup>5</sup> Barbara Barrett Foster, Technical Support Services, Inc, and Bonnie Walter, USAID, Maximizing Program Impact and Sustainability: Lessons Learned in Europe and Eurasia, Prepared for USAID/EE/DG/LGUD, October 1999

as the “foster parents” of reform. These institutions, it said, are characterized by organizational vision, institutional capacity, a demand for their services, and local institutional support.

The Slovakia Local Government Program worked extensively with a number of associations and other organizations in order to help build a sustainable structure that would continue to work toward the overall goals of the SLGP. Increasingly, a number of these organizations have begun to work with each other. Overall, this was one of the more successful endeavors of the SLGP. This section will analyze to what degree each of the associations and organizations that the Program supported became sustainable according to these criteria. This section will also review the connections between the USAID program and the sustainability of the particular organizations.

## **7.1 Characteristics of Successful Local Government Organizations**

The 1990s saw a flowering of local government and professional organizations. Three of them, ZMOS (Association of Towns and Municipalities of the Slovak Republic), UMOS (Union of Towns and Villages of the Slovak Republic), and the AFO (Association of Municipal Finance Officers) are the associations most likely to succeed, measured against the four fundamental criteria of organizational vision, institutional capacity, a demand for their services, and local institutional support. Other associations may well succeed, however this is less certain. There is also a direct connection between the support provided by the SLGP and the growth in stature and effectiveness of the three associations.

First, the organizations that appear to be the most successful are those that have a vision of who they are that brings the membership together, that is systematically expressed, and that is a part of the core of the organization. ZMOS could pride itself as being the largest local government association, the organization that represents the smallest towns, that it is non-partisan (although this has been disputed in the past) and nationwide, and that it is fighting for the interests of local government as a whole. UMOS lays claim to having the largest cities as its members and to representing this segment of local government, that it specializes on having expertise on selected local government issues, and that it was born in opposition to a ZMOS that did not sufficiently defend local government interests during the Meciar period. The AFO message is the importance of financial expertise in local government.

Second, the organizations that ultimately prospered have not only a vision but staying power through internal capacity that is characterized by dynamic leadership, good finances, and an ability to get things done. Each organization is growing and each has shown that it is effective.

Third, these three organizations clearly respond to a demand in the country and their membership for the services they are providing. ZMOS has grown from roughly 10% of the towns in 1990 to over 97% in 2000. UMOS has grown rapidly since its beginning in 1994 and currently represents more inhabitants than does ZMOS. The AFO

lost members after the 1998 elections because finance directors serve at the will of Mayors and many Mayors lost their positions. However, demonstrating resilience, the Association has regained its membership.

Finally, each of the three organizations is now considered to be an integral part of the fabric of local government organizations. They are consulted by the central government and each other. They play a role in advising on policy.

## **7.2 Associations and Organizations in Slovakia**

### **ZMOS (Association of Towns and Municipalities of the Slovak Republic)**

ZMOS was established in 1990. Today, it represents over 96% (more than 2,700) of all local government authorities in Slovakia, much of this growth coming since 1993. USAID's Local Government Program worked closely with ZMOS through a wide range of mechanisms, including study tours, technical assistance, and training. ZMOS is on its way to being sustainable. ZMOS has been an important supporter of stronger local government. Its main (and appropriate) focus at this stage has been on lobbying to help shape government reforms and the structure of local government.

The evaluation team concluded that ZMOS has strong organizational vision. As the representative of most local authorities in Slovakia, it is considered the premier local government association.

With regard to institutional capacity, the team concluded that while the Association still needs to improve its finances, it does have the capacity to carry on its business. ZMOS is clearly a functioning association with well-attended meetings. The Association has been able to use its internal management structure to establish technical expert groups that are influential in their lobbying with central government<sup>6</sup>. Internally, it has a number of "chambers" based on city population size and region that permit it to quickly be in touch with members and to represent their interests. ZMOS has an effective Board of Governors and management structure and has a respected leadership. Although the staff has recently been reduced from 21 to 18 persons, this is a mark of more stringent financial times and also an indication that the organization is able to take personnel decisions to downsize when required.

There is a demand for ZMOS services from its membership, particularly to represent the smaller local governments. These are, by far, the great majority of its membership, and they look to ZMOS to make their voice heard in Bratislava.

Finally, the team concluded that ZMOS is well established in the institutional fabric of the Slovakian government at this time, ten years after its founding. It has numerous allies and partners and is a strong voice for local government interests.

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<sup>6</sup> The morning that the team met with the Mayor of Trnava, he had just returned from representing the Association at a meeting with the Minister of Finance on fiscal reform issues concerning local governments.

ZMOS believes that it benefited from USAID assistance to prepare it for the changes that are taking place now in Slovakia. Study tours were particularly helpful in enabling decision makers to see first-hand alternative models of local government in the United States. ZMOS also acknowledged that they now regularly consult with a much wider range of partners (e.g. the Association of Financial Officers and the Association of City Managers) than they used to, thanks in part to the contacts fostered under the USAID program. Most importantly, ZMOS is now a partner in the changes that are being planned by government. ZMOS believes that it has attained a certain weight and respect in Slovakia and that USAID contributed to this growth.

### **FTSG (Foundation for Training in Self-Government)**

The Foundation was established by ZMOS in 1994 as an independent NGO to strengthen the quality of local government through training. It has 11 regional training centers (RTCs) and the heads of these centers comprise the Board of Directors of the Foundation, along with two representatives from ZMOS.

SLGP training efforts initially focused on making use of the RTCs and working closely with the Foundation as a partner to help prepare training materials and to help organize the nationwide training effort. Training courses were mounted for the elected leadership of councils, consulting skills, and financial management. USAID strategy changed during the course of the project, partly due to perceived organizational weaknesses in the RTC and Foundation management. It was decided not to have the Foundation as the major partner and eventual recipient of the right to continue giving all of the various training courses. Rather, USAID determined that the long-term viability of the training would be assured if they were taken over by the associations that were most directly interested in their continuation. This strategy has proved problematic for two reasons. It entrusted the future of the training program to organizations whose primary purpose is not training. Second, it weakened the sustainability of an organization whose primary purpose is training.

Since the closing of the USAID project, there have been substantial reductions in the activities of the RTCs, as much of the training was partially funded by the SLGP. Nevertheless, they still operate and are seeking to find useful niches in each of the regions. The FTSG is currently seeking a substantial grant from the European Union.

In summary, the USAID project helped to develop this system, but did not ensure that the basis was laid for its sustainability. The team concludes that the basis for sustainability of the Foundation is not yet established.

### **UMOS (Union of Towns and Cities of the Slovak Republic)**

UMOS was established in 1994. It now has 43 members, up from 25 in 1998, and will add another 16 this year. It is therefore growing dramatically, a hopeful sign for sustainability. In terms of population, members of the Union have a greater population than all of ZMOS. UMOs has pushed for public acceptance of a model that is also seen

in other countries in Europe, i.e. two national associations, one that is broad based, representing smaller towns, and one that represents the larger population centers. The Union was originally established in reaction to the MECIAR government and what was perceived as its re-centralization tendencies, when ZMOS did not take a strong stand against this policy. Nonetheless, most UMOS cities maintain membership in both organizations, believing they gain from both.

UMOS has far fewer staff than ZMOS (only two full time employees versus 18). It relies on volunteer experts on 16 different subjects, who offer advice as issues arise. UMOS works in special purpose task groups with the other associations such as the Association of Municipal Finance Officers and the Association of Municipal Auditors. It is done in terms of common interest and a division of labor. UMOS's major focus is addressing the substantive issues that confront larger cities.

The Union is growing and the team's view is that while it is not yet sustainable, it has achieved a certain momentum towards being sustainable. It has gained a definite place in the array of local government institutions. Its organizational vision is strong, but its institutional capacity, largely in the matter of finances and staff capacity is weaker than ZMOS. Political issues were a catalyst in its formation, and it remains to be seen over the next ten years whether this will continue to bind the organization together. UMOS has become a part of the fabric of local government institutions, but is not as well embedded as ZMOS. Their task over the next five years is to increase their financial viability, solidify itself as the premier representative of the larger cities, and weigh in more heavily and more effectively on issues that their members deem important.

The Secretary of UMOS said that, "if there had been no USAID there would have been no Union". They received technical equipment such as computers and training. Directly and indirectly, they were recognized by USAID and this helped them

### **AFO (Association of Municipal Finance Officers)**

AFO is a clear success story. It was founded in 1996, with SLGP assistance, which continued until the end of the project. The organization is currently financially sustainable. Furthermore, as an organization whose membership is largely female, it is also an outstanding, albeit unintended, example of USAID support for women.

The organizational vision of the AFO to promote their profession and to strengthen local government finances is well defined, quite strong, and well understood by its members. The capacity of the organization is its true strength. It has a dedicated membership, some 140 in all, who are active in AFO affairs as well as in the municipalities.

The financial strength of the organization, however, is not yet sufficient to have a full-time and operational office with a staff that can take some of the heavy burden of organizing off the President and her other officers. On the other hand, this is the only organization that has been able to negotiate financial agreements with municipalities for

the cities to pay the dues of its members.

The AFO has demonstrated that it can organize effectively, having successfully sponsored a number of conferences both inside Slovakia and outside. It also has excellent relations with the media. With regard to the demand for its services, this is also clear. Because the organization began life as a largely women's organization, there has been a certain solidarity in attracting new members.<sup>7</sup> Finally, in terms of the major criteria of sustainability, the AFO has clear institutional support from other players. Time and again they were mentioned as an example of an association with which other associations and groups would work in accomplishing city business.

Until recently, most Financial Officers have been female (this has now gone down to about 75-80%), due to the low status of the job.<sup>8</sup> When local government began to function after 1989, it found this staff situation and as local government has evolved, the women were in a position to take advantage of these changes.

Financial stability has contributed to the success of the Association. AFO now has agreements with most cities that the cities will fund the cost of dues (currently 2,500=/annum), which is an innovative arrangement. The agreement also provides that the cities will release staff for Association purposes. There are now 140 members in 136 cities. Almost 80% of cities have members and have signed agreements. This has been an issue with other associations, which have not been able to have the same kind of agreements, e.g. the city managers.

One of the biggest successes of AFO is recognition as the authority on financial matters by ZMOS and UMOS. Anything that has to do with finance is automatically referred to them for an opinion.

If there had not been USAID support, this would not have happened. ZMOS would not have accepted them, the President of AFO opined. She cited the example of the auditors, who had not cooperated in the same way with USAID and had not been able to forge the same level of success and have not grown in importance. She also cited the study tours, the training, and the international conferences in Sofia and Budapest that they have attended as having been important in their development as an association.

In response to a question concerning the reasons for the success of the Association, the President of the Association indicated that the spirit that the organization sought to engender among its members was a family spirit, to work together and collaborate together for the betterment of the Association and to better their individual

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<sup>7</sup> One example of this is that when the 1998 elections cost about 25 of the members their jobs (they serve at the pleasure of the Mayor, who if not re-elected cannot reappoint them) they were quickly able to rebuild and exceed their former membership.

<sup>8</sup> Originally, during the communist era, this job had been mostly a bookkeeping function. At the local level, under the communists, there had been no financial management function, because everything on financial management was decided at the central administration level. So, this job tended to be filled almost exclusively by women at the local level.

lives. She indicated that this spirit might have come more naturally to them as women than if they had been men attempting to collaborate in an association.

### **ACM (Association of City Managers)**

ACM is a professional association whose objective is similar to the AFO, i.e. it is intended to support city managers and to improve their status. While it seems somewhat less dynamic than AFO, ACM has made progress and it is the first association to become a member of the International Association of City Managers from Central and Eastern Europe.

ACM has about 110 members now out of a potential pool of 150-160 city managers in the country. Most of the key cities have members. However, ACM does not have staff, so much depends on the efforts of the volunteer Board members.

The organizational vision of the ACM seems to be less strong than that of the AFO. While it is also a professional organization, it seems to lack a certain enthusiasm that was constantly expressed by the members of the AFO who were interviewed and who stated on more than one occasion that belonging to this organization had *changed their lives*. Although such transformation is not a prerequisite to having a successful organization, in the case of the AFO it did help the organization to maintain cohesiveness and a sense of purpose. There does not appear to be this same enthusiasm at work in the case of city managers.

In terms of institutional capacity, the ACM has a dedicated Board, but we were told that, unlike the AFO, the amount of time being taken for association business is beginning to be noticed by the various Mayors and may eventually inhibit the activities of the Association. The financial strength of the organization, however, is not sufficient to have a full-time staff. It is difficult to assess the demand from membership for services. With regard to the demand for its services from its membership, this is difficult to assess.

The organization, like the AFO, lost members in the recent elections, but also seems to have regained its members subsequently. In addition, it is the first such organization in Eastern Europe to join the international association, ICMA, a certain mark of prestige. Finally, in terms of local institutional support, the ACM was mentioned by other organizations as one that is taking an active part in the current reform process. In summary, although the ACM is less charismatic than the AFO, it does have the potential to become sustainable, but it is not as far along on the continuum toward sustainability as the AFO.

### **SPWA (Slovakian Public Works Association)**

This association is ten years old and cooperated with USAID for about four years. There are currently 66 members, who come from both the public and private sectors. They indicated that they would like to expand to around 130 members and believe this



will be possible, once there is further movement on municipalities taking responsibility for water and wastewater activities.

Assistance provided to the organization centered on strategic development. A plan was formulated, which included staffing up and they are in the second year of this plan. A part-time executive secretary was hired about a year ago,

Members also participated in some of the USAID sponsored training, particularly Total Quality Management (TQM). In general the Association believes that the training and assistance provided was helpful.

The Association finances its activities from publications, training that it provides, and by charging to exhibitors at their meetings. They also collect dues, charging the private sector members 10,000K per organization.

This is an interesting organization because of its open membership to the private sector, which distinguishes it from the other professional associations reviewed. While it is small, it appears to be well motivated and well organized. It has gained a place among the spectrum of associations and told us that cooperation with ZMOS had improved as a result of the USAID program. Its main strength appears to lie in its public-private character and the financial incentives that stimulate this open membership. This is expected to ensure that over the years the Association will gain strength.

#### **IH (Institute of Housing) and UAHO (Union of Associations of Home Owners)**

These organizations are cited here together because of their relationship to each other. Housing is not a subject that the team examined in any detail, but it is important to note that housing was a major focus of the Slovakia Local Government Program.

The Institute was transformed from a government office for housing research into a private company in 1992 (Prior to the enactment of the Law on NGOs), by several of its employees. Eighteen people had worked in it previously. IH started with a staff of three people and now has six. The Director is a dynamic person and has established a strong vision for her organization.

The Union of Associations of Homeowners (UAHO) was established in 1996 with the help of the SLGP, and with support from the HI (also funded through SLGP). Unlike most other associations, UAHO's national headquarters are in Kosice, in eastern Slovakia, center of its most active homeowners associations. As its name indicates, it is an association of associations. UAHO provides information, and legal and other advice to its member condominium associations, formed as a result of the massive privatization of public housing that has been underway in Slovakia since 1993.

UAHO finances continue to need strengthening. However, the Association has restructured its Board and expanded with the formation of four regional offices in Kosice, Martin, Bratislava, and Banska Bystrica and is optimistic concerning its future viability.

## **8 Training**

### **8.1 General Description of the Training Program**

USAID's goal for local self-governance in Slovakia was to foster the decentralization of governmental authority and promote democratic pluralism. That municipalities should have sufficient human and financial resources to govern themselves was central to this goal. However, the prevailing wisdom was that those elected and appointed to serve, "In the main ... lacked not only technical skills and access to information, they also lacked the experience and confidence required to effectively advocate and participate in the national debate on behalf of their own interests."<sup>9</sup>

Thus, in 1995 a training program was set up to meet two objectives:

- Enhance the governance, technical, and managerial skills of elected and appointed officials (35,000 officials in more than 2,800 Slovak towns and villages); and
- Develop the training and professional capabilities of local institutions.

The project followed a two-stage process to meet these objectives. First, staff identified and trained local Slovak trainers and selected training institutions as venues for delivering the training. Secondly, the trainers identified the training needs of and began to train the local government officials, both elected and appointed. Initially, the training of trainers and training of local government officials was sequential, but as the number of courses increased, the two parts of the program progressively merged.

#### **Stage One - Training of Trainers and Selection of Training Institutions**

**Selection of Trainers:** The SLGP initially selected a core of 24 Slovak Trainers who had been previously trained as management trainers by the British Know How Foundation. While this training program produced a group of skilled and highly motivated trainers, they were without access to well designed training courses and they were scattered amongst a variety of institutions.

The core trainers assisted USAID in recruiting and training "junior trainers," who were local government officials interested in learning how to train. A total of 188 people were trained as trainers in one or more of the SLGP program, distributed as follows:

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<sup>9</sup>Factor, Jamie. Final Report, Training in Municipal Management and Governance in the Slovak Republic 1995-1999. ICMA. September 1999.

<b>Table 2</b>	
<b>Number of Slovak Trainers by Type of Training Course</b>	
<i><b>Training Course</b></i>	<i><b>Number of People Trained</b></i>
Lead Trainers	24
Elected Leadership	48
Financial Management	22
General Management	16
Total Quality Management	12
Community Development Planning	10
Citizen Participation	13
Communication and Media	16
Consulting Skills	18
Environmental Management	9

*Source:* Factor, Jamie. *Final Report, Training in Municipal Management and Governance in the Slovak Republic 1995-1999*. ICMA. September 1999. p. 6.

**Selection of Training Institutions:** USAID identified the ZMOS-sponsored Foundation for Local Government and its eleven affiliated Regional Training Centers (RTC) as the primary training institution. However, in 1998, problems of coordination between the Foundation and its affiliates led USAID to expand the number of training institutions that would implement the training. Ultimately LSGAC worked with 16 different institutions, and LGSAC served as the coordinating body for the training.<sup>10</sup>

## **Stage Two - Training of Local Government Officials**

**Course Selection:** From 1995 -1999, LSGAC prepared and delivered 8 distinct training courses (See Table 3). These in-service training programs were supplemented by several study tours to the United States. Some additional courses were designed and offered over the life of the project, such as Value Engineering at the Slovak Technical University. These courses did not represent a major expenditure of project resources and therefore were not evaluated systematically for this report.

Since the majority of project time and resources was spent on three courses, *Management for Elected Leadership*, *Financial Management*, and *General Management*, the training evaluation focuses on the implementation, impact, and sustainability of these courses.

In order to begin training quickly, the principal trainer recommended a basic management course for local government officials, complete with a training manual, which he had written for the United Nations. The course, *Managing Elected Leadership (MEL)*, was translated and adapted for Slovakia.

By the end of the project, 4,706 officials, representing 13 percent of the 35,000 local officials, had participated in some or all of the 11 *MEL* modules. The officials came

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<sup>10</sup> Factor. Ibid. p. 2

from 600 local government units, representing 21 percent of the 2800 towns and villages in Slovakia. Trainees reported overall satisfaction with the program, although the course was more in demand among the smaller towns and villages.

In 1996, an extensive analysis of the training needs in the area of financial management was carried out by LSGAC<sup>11</sup>, and a pilot course in financial management was offered. However, as decentralization policies were only in preliminary discussion, it was difficult to identify concrete training needs, i.e. the specific competencies that officials and staff at the local level would need once reform took place.

Nonetheless, in 1997 design work, involving 7 Slovak Financial Officers and a number of American experts, began on a 15-module financial management course. At the end of a lengthy design phase, the course was offered in January 2000, six months before the end of the project. Only eighty trainees participated in this training prior to the end of the project (See Table 3).

The third course, *General Management* was added in 1997, based on a needs assessment conducted in cooperation with the Slovak City Managers Association and others. The core of the course was borrowed from a UN Habitat manual on managing change for urban managers and trainers. Some 285 trainees completed this course, which covered skills needed by the city managers, including problem solving skills and organizational development skills, such as creating a vision, developing a strategic plan, and using innovative approaches for staff development (See Table 3).

A fourth course in *Total Quality Maintenance* was designed to increase managerial efficiency in the delivery of public services. Again, the training course was originally developed by UN Habitat and field tested in Romania prior to being used in Slovakia. Some 88 officials from twenty cities participated in the course (See Table 3).

Between 1997 and 1999, other courses were added in *Planning for Community Development*; *Environmental Management*; *Effective and Professional Image of self-government*, and *Consulting Skills*. A small number of people were trained (See Table 3).

In addition to the training courses, the LSGAC program organized an event around the 1998 elections entitled “Good Day Local Government.” The event was “designed to celebrate and promote the importance of local governments as a central pillar of a democratic governance.” LSGAC and some of the trainers wrote a handbook with information needed by newly elected local officials. The Manual is very comprehensive and follow-up training was provided. Over 41,500 “Quick Guides” were distributed to officials in 2,867 municipalities. *Mayor’s Survival Kits* were distributed to all the mayors in Slovakia, through the staff of the Regional Training Centers.

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<sup>11</sup> Rebetak, Jozef. Final Report. Identification and Analysis of Financial Management Training Needs for Local Self-Government in the Slovak Republic. August 1996.

## 8.2 The Design and Implementation Process

A number of courses, requiring intense planning and design work, were developed in the last two years of the program, but relatively few people actually were trained. It appears that the effort required to prepare these additional and somewhat extraneous courses took time away from finalizing and delivering the three basic courses to a much larger group of local officials. Indeed, the 1997 evaluation recommended that the training program should “concentrate on programs already underway and well received (*MEL*, *Financial Management*, and *Total Quality Management*), limiting new starts to a minimum.”<sup>12</sup>

**Course Design:** The process for designing each training course followed the same pattern. Technical experts from the United States prepared initial drafts of training content material. After finalizing the technical content of each course, the lead trainer, with a core of Slovak trainers, designed the curriculum for each individual module, including both content and methods, such as case studies for the Slovak context and interactive exercises. The material was then translated into Slovak and sent to the United States where a graphic designer prepared the training manual. The course was then pilot tested, revised, finalized, and rolled out to a larger audience.

This process was very complicated, cumbersome, and lengthy. While the process resulted in a very high quality publication, it also led to significant delays in getting the training started. The most serious delay came in the most needed course, *Financial Management*. Given the uncertainties about the future competencies of local governments, a more general course could have been designed quickly to address the immediate needs facing local government officials. This would have permitted a quicker rollout and provided training in fundamental skills for a larger number of people.

The evaluation of LSGAC further stressed the need to move quickly in implementing this course and urged that “Since there is little time to implement and adapt this training, and since local officials have little discretionary time and money, it is important that the most essential and “demand-driven” modules be developed first.”<sup>13</sup>

**Course Implementation:** The training programs received very high ratings from the trainees on all aspects of the design and implementation, including the use of Slovak trainers. In particular, the trainees welcomed the introduction of new interactive and participatory pedagogy absent from the Slovak education system. The interactive, experiential, and highly participatory methodology introduced in the SLGP courses was, by all accounts, highly effective and one of the most successful elements of the training.

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<sup>12</sup> McLaughlin, Richard D. et al. Evaluation of Strategic Objective 2.3. USAID/Slovakia. DRAFT FINAL REPORT. January 1997.

<sup>13</sup> Ibid. p.15.

The methodology itself taught trainees a new way of relating. “The responsive, action-oriented nature of the training is designed to meet the perceived need of shifting the thinking and behavior of local officials from those developed in the controlled, top-down socialist system to the more multi-faceted, proactive approach needed for effective, responsive local government.”<sup>14</sup>

Monitoring and Evaluation of the Training: Each course was evaluated by the trainees in a written “end-of-course evaluation.” The evaluator reviewed a random sample of evaluations from several programs, and found the trainees very satisfied with the courses. The high ratings were consistent with the scores reported in two earlier USAID-evaluations of the training programs. Trainees were very satisfied with the training.

The contractors did not use the same systematic approach to monitoring and evaluating the training at the next levels: achievement of learning objectives and impact of the training on job performance. There were no evaluations to measure trainees’ mastery of the course content. LSGAC also did not track trainees to learn how training was being applied. Instead, project documents and the Final Report<sup>15</sup> reported training inputs (number of training events, training days, and people trained, number of manuals and other publications produced) as results.

USAID commissioned two outside evaluations, one of which, *The LSGAC Training Program Evaluation*, surveyed trainees and conducted focus groups to answer two questions, “What is the overall impact of the training efforts on the effectiveness of local government officials?” The team reported a positive response from trainees to the training, but determined that it was too early to answer the second question: “What is the subsequent impact of the organization performance of local government in serving citizens more effectively?”

On-going follow-up with the participants after the training to determine obstacles facing their application would have provided information to improve the course design and would have provided USAID with the results information needed to show success in the program.

### **8.3 Impact of the Training for Local Government Officials**

Interviews with individual participants and in the focus groups revealed that many aspects of the training are being applied in the daily management of local government. The training provided under the *Managing for Elected Leadership* program provided a basic set of skills and competencies, including a clearer understanding of

- Local control of resources and local decision making;
- Accountability based on trust between/among the stakeholders;

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<sup>14</sup> Ibid. p.14

<sup>15</sup> Factor describes the number of people trained and training materials produced for 12 courses and study tours to the US. (ibid). p.5-18

- Outreach to citizens; and
- Clearer communication and an increased ability to compromise and build consensus.

The training in *Financial Management* helped to give the Slovaks confidence in what they were doing in a new area of local self-government. The training in *Citizen Participation* helped to change officials' attitudes on the need for citizen involvement.

**Table 3: Description of Training Programs and Number of Trainees<sup>16</sup>**

Title of Training Program	Number Trained	Description of Training Program
Training of Trainers (TOT)	188 participants	This program was designed to build and sustain Slovak local capacity to develop, implement and evaluate local government training programs. Graduates received certificates and on the job training.
Managing Elected Leadership (MEL)	4,706 participants from 600 towns	The EL training series was intended to improve the governance skills of elected municipal officials through 11 modules, acting as policy maker, decision-maker, etc.
Financial Management	80 participants completed the entire course	This program was intended to strengthen the capacity of local governments to manage financial resources. 16 training modules were developed, covering operating budget, debt management, cash management, etc.
General Management	285 participants	The objective of this course was to professionalize city management.
Total Quality Management	88 total participants from 20 cities	The overall goal of this program was to bring more effectiveness and efficiency to public service delivery by increasing participants' knowledge and skills in specific line operations
Planning for Community Development	78 total participants; 26 municipalities	This course introduced larger municipalities to innovative community based approaches to planning and development.
Environmental Management	143 participants from 5 municipalities	This program was designed to advance the theme that local governments play a central role as stewards of the environment.
Effective Image of Self – Government	149 participants from the 8 regions	This program was designed by Slovak trainers to enable public officials to more effectively present the image and objectives of their local authorities.
Consulting Skills	18 trainers trained	This course provided additional capacity building skills to Slovak local government trainers, enabling them to be better consultants to local government/associations.

<sup>16</sup> Factor, Jamie. Final Report, Training in Municipal Management and Governance in the Slovak Republic 1995-1999. ICMA. September 1999. This report provides a full description of the training component (number of courses, outputs, trainees, and training institutions).

Association members reported that training resulted in improved management of their associations, particularly from training in team building, Strategic Planning and Visioning, and running an efficient and effective meeting. Association members also note that both the Total Quality Management course and the General Management for Local Government course were useful to them in promoting teamwork.

## **8.4 Sustainability of the Training**

Training continues at many, but not all, Regional Training Centers, again at a reduced rate compared with the training delivered during the project. The Foundation for Training in Self-Government has continued to do training, although at a much reduced level. The LSGAC trainers continue to work with the RTCs, assessing new training needs and delivering training. For example, two trainers organized a two-day workshop on environmental issues faced by local government. The training methodology was that learned under LSGAC. Funding for the workshop came from the British Know How Foundation (60%) and from the participants (40%). Finally, the Association of Financial Officers continues to provide this training, again, at a reduced rate than under the LSGAC. Less training is provided by the remaining institutions with which LSGAC worked in the last two years of the project.

Several trainers are applying both the new training methodology and course content in Slovak institutions, including the University of Nitra, the Institute for Regional Development of Towns and Villages, the University of Economics, and Banska University (see Annex 3 for details). Training manuals were provided to other USAID/local government programs in Ukraine, Bulgaria, and Moldova.

Demand for the training appears to exist, although the demand and need appears stronger in the smaller towns and villages where officials may have less access to other sources of training. Several constraints to sustaining the type of training program developed by the LSGAC are apparent. First, funding is not available in Slovakia to support the high cost of the training. Second, when the LSGAC project office was disbanded, responsibility for training local government officials was dissipated. The Foundation for Training for Self-Government was not vested with the entire training portfolio; rather several institutions were encouraged to continue training. Third, local governments are buying training services from private training institutions, from professional associations, and NGOs serving the sector, many of which are offering donor-subsidized training programs.

Finally, many informants noted that while the SLGP management training had been important to “jump-start” the training of local officials, it was now time for the central government to support Slovakian institutions that would do this training. This could be done in various ways. This could be accomplished through direct central government establishment of a training institution for local government officials. It could also be done through provision of central government grants to local authorities to buy training where they wish, or subsidies to the training institutions (private, public or



NGOs) offering courses geared to local government officials and staff. Only when central government gives a subsidy is training likely to become more regular.

## **8.5 Conclusions**

1. An evaluation of the impact the training courses conducted in May 1997 showed that the *MEL* training was having an impact. Trainees reported that they were applying the training on the job and reported specific and concrete changes in the way they conducted business at the local government level. Information received during the current evaluation also confirmed that participants were applying the training in their local communities. The impact of the other courses cannot be confirmed.
2. Key informants from the professional associations described the training as key to teaching them how to establish and run successful Associations. The leadership of ZMOS, the Union of Towns and Cities, the Association of Financial Officers, and the Association of City Managers noted that the training improved their ability to lobby on behalf of their membership and to negotiate as an equal partner with the central government in the ongoing debate about decentralization.

### **National Level Impact**

1. Training for a critical mass of local government officials and staff at the historical juncture of independence for the Slovak Republic was not achieved. The number of people trained under the LSGAC was small, falling far short of a critical mass of local officials. Thirteen percent (4,706 people) of the 35,000 locally elected officials participated in the *MEL*, representing 21 percent of Slovak towns and villages.
2. In addition, 755 people participated in the remaining courses, raising the total number of participants national wide to 15 percent of the local officials. (This percentage may be slightly elevated as some participated in more than one course.)
3. The *Good Day Governance* program reached a significant number of local government officials and provided important information needed by the newly elected officials.
4. A major drawback with the training component was the delay caused by the cumbersome and lengthy design and testing process for each course. These delays are particularly difficult to understand given that several of the courses only needed adaptation from previously written manuals to the Slovak context.

### **Sustainability of the Training**

1. The system functioned well during the life of the project.
2. The key element in making the delivery system work was the organizational and financial support provided by USAID. First, USAID subsidized the high cost of the

design of the training materials, as well as a portion of the cost of delivering each training program. While the municipalities, associations, and to some degree, the individual trainees, covered a portion of the cost of each program, it was small, compared to the real cost. USAID also subsidized some of the partner organizations' costs. Second, the LSGAC project office had a full-time staff of trainers who coordinated the training activities of the many partners, thus ensuring that quality training was offered and that the needs of the local government officials were met.

3. The system was not sustainable following the end of activity because the necessary funds to maintain the same level of training were not available. A year after the project ended, sufficient funds have not been forthcoming from other sources to cover the full cost of the training programs.
4. While some training continues, the sustainability of the delivery system is tenuous for two additional reasons: the breakup of the system itself and the inability of each separate component to continue delivering its assigned course.

When LSGAC ended, the training delivery system dissolved. This left local government without any one organization focused on improving the human capacity of the local government officials. Instead, the various courses were divided up among existing organizations, which gave each organization/NGO a product to market, which might have potentially added value to that organization. Most of the organizations do not have training as their primary mission and have not chosen to spend much time or resources in continuing training programs.

Some of the selected NGOs did have a constituency and a vested interest in training their members, e.g. the Association of Financial Officers. However, others such as the Institute for Personnel Development (a profit making organization), do not have this natural constituency, or lack the resources to continue training.

While training continues on a limited scale, the delivery system for comprehensive training no longer exists. There is a lack of focus in any one institution to provide training for local government officials and staff. There is a lack of funding to pay for training. There has been a breakup of the system itself. Finally, in many cases, there is disinterest on the part of some organizations to continue delivering its assigned course.

The breakup of the "training system" leaves local government with no organization as the nucleus for assessing the needs and providing training for local government officials' efficiently and effectively skills.

### **Additional Observations**

In terms of money and time, the effort expended on design of training courses and production of formal manuals, was not justified by their use either during the project (most were not even ready until near the end of the project) or afterwards.

Given that so much effort was put into training, manuals and informational dissemination, USAID should have evaluated its real impact during the life of the project. This comment applies both to training (where there was no follow-up) and national dissemination of manuals. It is impossible to determine whether any of the skills training and manuals had any impacts aside from the pilot cities where they started. The only evaluation of training was a count of the numbers of persons who participated, and there has been no evaluation of any kind of the information dissemination. This is a weakness of the program.

## **9 Technical Assistance**

From the beginning of the SLGP, technical assistance was provided to address specific local government issues. Many different kinds of technical assistance were provided under the rubric of what came to be known in 1995 as the “Best Practices” program. Perhaps the single most substantial assistance came through the Environmental Health Project (EHP) to decentralize water and wastewater utilities and to improve their management. Both Best Practices in general and water/wastewater in particular are discussed below, along with a case study on assistance provided to one particular town, Lucenec.

### **9.1 Best Practices**

The Best Practices component consisted of a number of activities that were loosely grouped together as improved systems intended to lead to more effective, responsive, and accountable local government. They included capital improvement programming, strategic planning, citizen participation in budgeting, local government asset management, service delivery transformation, water and wastewater management, and other kinds of technical assistance. American contractors worked with selected cities to develop these best practices, with the intention being to disseminate the results to other cities through workshops, associations, and other means.

This component was curtailed in 1997, upon the recommendation of the mid-term evaluation. Some of the technical assistance, such as citizen participation in budgeting, was successful on a limited scale. However, in general, the process was slow and quite complicated. The cycle of developing an improved system from scratch and then disseminating it was time consuming and ultimately, in a number of cities, not particularly successful. Furthermore there was no clear dissemination strategy and therefore the intended impacts were unlikely to be major. With the closure of the project coming up in less than two years, USAID wisely decided to focus more heavily on training, decentralization, and institutional development.

## **9.2 Water and Wastewater Assistance**

USAID undertook substantial technical assistance (beginning in 1993) to encourage the decentralization of water and wastewater utilities. Although the government accepted decentralization of the individual regional companies, it retained final approval of their transformations into locally based public companies. Obtaining this approval proved to be almost impossible.

Only one such transformation has ever been approved, that one in early 1998 in Trencin. The reasons for this approval appear to have been based upon political favoritism, because Trencin was a stronghold of the Meciar government. The entire process that resulted in the one transfer to local control appears tainted and may have been corrupt. Subsequent operating contracts for the utility with private foreign companies were also signed without open competition. This one transfer has not been repeated under the post-1998 coalition government and it is unlikely that it will be.

Very large amounts of TA were spent on this aspect of decentralization. However, this effort, in hindsight, is difficult to justify. There were complex reasons that help to explain why the effort was so difficult, rooted in political and financial considerations, which appear not have been sufficiently appreciated by USAID. The one place where it did take place is tainted in the eyes of most outside observers. Therefore, it is unlikely that the USAID objective will be realized.

## **9.3 Case Study - Lucenec**

One specific example of impact of the SLGP is in the city of Lucenec, where several factors combined to create an environment for change, namely the leadership of the Mayor, a dynamic staff, including the President of the AFO, and considerable technical assistance to improve municipal management. Of course, the major element in the city was the local leadership, but it also seems clear that the local government program contributed to the successes.

There was an early instance of collaboration with SLGP concerning wastewater in 1994. There had been strong pressure from the Council, many of who made their livings as contractors, to build a new wastewater facility for the city. SLGP undertook an independent study for the city that showed a new facility would not be need until perhaps 2002. The new facility would have become the property of the central government water utility, and, moreover, would not have been need until well into the new century. The effort by the contractors' lobby was defeated.

Another example of SLGP impact was the budget in brief. Lucenec was the first town to undertake this exercise of preparing an abbreviated budget for public consumption. The President of the AFO indicated that this was done as a direct result of her study tour to the United States. The city now publishes its budget every year, and other cities have also adopted this procedure. The larger budget is also disseminated to

the public through Councilors and the city information center.

Concerning the impact of the training, there has also been an attempt to use some of the training they received on management of the city's assets. Lucenec has 11 municipal companies, five of which are 100% city owned. They commissioned a study by independent consultants from Bratislava who recommended changes in the five completely owned companies. However, there was opposition from the Council, possibly linked to the fact that Councilors sit on the Boards of these companies.

With regard to citizen participation, the city had instituted 2 competitions, one for primary school children and one for secondary school students. They are asked in their schools to draw and describe how they would like to see their city changed. They have come up with some nice ideas and the Mayor responded by including 300,000/= SK in the budget as a direct result of one of the suggestions, to have a roller-blading place. Another example is the renovation of the old Synagogue in town. This had been a suggestion by some kids and the city has taken it up, trying to help raise funds.

Lucenec is an outstanding example of the kinds of synergy that can be created from a good project and from the presence of good leadership. Unfortunately, SLGP did not take full advantage of this example in its dissemination efforts.

## **10 Donor Programs**

Until the post-1998 election period, USAID was the only major bi-lateral donor working comprehensively on local government issues. Donors have offered assistance in specific sectors of interest for some years in such areas as municipal associations, community development, NGO development, and fiscal reform. In addition, the international finance institutions provided advice or assistance - in some instances with USAID collaboration - in areas that affected potential lending operations, such as the multi-donor Fiscal Decentralization Initiative. In the main, however, only since 1998 have donors elaborated extensive programs to assist local government and these have principally concentrated on policy reform.

USAID had hoped that other donors would pick up support for the main sectors of the local government project following the project closeout. Sustainability was an important consideration in the design and implementation of the programs, and while efforts were made to develop internal mechanisms to assure sustainability, it was acknowledged that more donor support would be needed, and in particular from the EU and European bi-lateral donors.

It is relevant to ask what other donors are now doing, that will assure success in the areas of project concern, areas that were deemed important by USAID. The answer is important in order to determine whether there are significant gaps in assistance needed in order to continue Slovakia's transition to democracy and to move reform forward. It is

also important as a "lesson" to other USAID projects in the region, to assist them in thinking through and planning for sustainability of processes and institutions.

As a general conclusion, one finds that bi lateral and multi lateral donors are providing, and plan to continue to provide assistance to the central government to advance policy reform (including decentralization, intergovernmental fiscal relations, and the reform of public administration). Some assistance, on a much smaller scale, is targeted at specific municipalities to improve particular management issues. Small, but important, assistance continues to go to NGOs, including associations. Finally, no donor assistance is being provided for skills and capacity training for local government elected and appointed officials.

The elements of main donor assistance for local government are as follows:

- The British Know How Fund assists local governments with: environmental training; a public relations project in 8 cities; a regional development program focused on housing; and assistance to ZMOS . Major advisory assistance will continue for the Commission on Decentralization, and the Commission on Ministerial Audits
- EU PHARE has and will continue to provide expatriate and local staff to the Prime Minister's Office to advance the reform agenda. EU has proposed continued funding for both long and short-term advisors to prepare draft legislation, conditioned upon government funding of the operating costs, and parliamentary approval of the concept for decentralization. In addition, a training strategy for local government officials will form part of an EU funded education strategy for civil service. However, no commitment has been made to fund the training, or to include local government training within an EU funded Civil Service College.
- The Open Society Institute will provide small grants for training local government officials in the new legal and administrative competencies, and concepts of decentralization. They have also assisted the AFO in its training efforts. As such, they are the only donor directly funding training. In addition, they plan to support policy reform through grants and assistance to think tanks, and will work in collaboration with and complementing the EU PHARE policy and legal reform initiatives by providing some funding for secretariat and meeting functions.
- Canadian Bilateral Assistance (CIDA) has supported the decentralization effort since 1998 through sponsorship of public information meetings at the local level in collaboration with ZMOS. At this time, a new assistance strategy is under review and it is unclear what assistance will be forthcoming.
- The World Bank has asked the Ministry of Finance and the Commission on Reform for indications of desired assistance.
- USAID's "legacy mechanism" in the area of Democracy and Governance consists of a

fund for grants to non-governmental organizations working in three fields:

(1) associations representing interest groups and professionals; (2) advocacy and human rights groups, and; (3) training and support to civil society and government institutions. In the first round of grants, no partner training or professional organizations received grants. A second round of grants will be more focused on decentralization, and it is hoped that the criteria will enable former partner organizations to be funded to continue activities sponsored by the local government programs.

In conclusion, there is a promise of ongoing assistance from European donors for policy formulation and advice on decentralization, and legislative assistance and administrative reform at the central government level, as well as a variety of small projects at the local level targeted to specific sectoral issues. However there are gaps:

- Support to municipal associations. While some grant funds and technical assistance are funneled to ZMOS for specific projects, all associations suffer from lack of funds for ongoing or expanded activities. As the reform process continues, associations will need to mobilize to provide information to membership, and to make input into policy formulated at central government level. This requires research staff and staff time. The associations should play a significant role in training local staff in the implementation of the reforms, policies and technical aspects. It is not clear to what extent other donors will support this activity; full cost recovery for activities is extremely difficult, necessitating supplemental grant funds.
- Skills training for local staff. No donor organization has exhibited interest in skills training at the local level, despite recognition that decentralization will necessitate an upgrading and expansion of local professionalism, and training is needed to enable local staff to take on new responsibilities, and to avoid a chaotic period of transition. It is not clear that the central government will provide the necessary support either. While a good pool of trainers has been created, there is no plan, program or funding envisioned to mobilize their talents.
- Assistance in legislative reform and decentralization. In addition to the long term planned EU and British assistance for legislative reform, immediate assistance is needed to turn the general principles of decentralization into workable solutions for Slovakia, including studies on the fiscal impacts of different scenarios, and other inputs that will help policy makers to make reasoned choices. A short term package of targeted technical assistance to the Ministry of Finance, among others, in collaboration with local think tanks, would be particularly useful to identify alternatives adopted elsewhere in transition countries and their applicability to Slovakia. This work could be rapidly contracted to a US contractor familiar with decentralization and fiscal reform elsewhere in the region.

## **11 Conclusion**

The Slovakia Local Government Program (SLGP) strived to achieve more effective, responsive, and accountable local government. SLGP was successful in advancing the overall strategic objective. In the process:

- The training, support for local government associations, and selected technical assistance activities contributed to stronger local government in a number of towns.
- Broader citizen participation was achieved in a number of places.
- Decentralization came closer to realization.

The fundamental impact of this project came through its support for the institutions of local government at a time when neither the central government nor other donors had yet focused attention on local government.



## **Statement of Work - Municipal Development Expert**

### **Background:**

Between 1993 and 1999 USAID Slovakia engaged in a substantial Local Government program which included technical assistance to cities, policy reform to encourage decentralization and reform of fiscal and credit policies, training of local government personnel to upgrade skills, and the development of sustainable non-governmental associations. Direct technical assistance, through foreign consultants and local implementing institutions terminated in September 1999; the USAID Mission to Slovakia will close in September 2000.

The USAID Mission and the Europe and Eurasia Bureau desire to evaluate the results of this program, in order (1) clearly identify and document the strengths and successes of the effort, and; (2) determine what lessons can be learned that are useful for other local government program in the E&E region.

### **Introduction:**

With this purchase order, The Europe and Eurasia (E&E) Bureau of USAID desires to retain the services of a municipal development expert to conduct an evaluation of and prepare a final report on the impact and sustainability of the Slovakia Local Government Program.

The contractor shall perform the following duties as needed: a) work on a team with other USAID program personnel; b) review and summarize the project documents and other background information; c) develop a list of questions and indicators that shall provide answers to the issues of sustainability and impact of local government and training institutions; d) gather data on the evaluation indicators through interviews with key stake holders in the project; e) consult with former USAID staff; f) perform field work overseas; g) act as principal author of the Executive Summary and chapters of the report on institutional sustainability; h) prepare success stories, as appropriate; i) review chapters written by other team members and serve as general coordinator and editor of the final report. Additionally, the contractor shall perform other more specific research and compile the results on an as-needed-basis.

The Contractor shall work as a member of a three-person team to carry out the evaluation and coordinate the drafting and editing of the final report. The Contractor is expected to report to the team leader Ms. Bonnie Walter, E&E/DGSR/UDH (see Section G.2) on May 1, 2000, to gather necessary documents and receive a tentative itinerary.

Prior to leaving Washington to conduct the field work, the Contractor shall provide a *Draft and Final Summary of the Project Documents*. The summary shall include: a statement of the goals and objectives of the project; the outcomes of the project in the

main areas (training/capacity development activities; association and institution building; and decentralization and policy reform); a list of additional research questions (beyond those listed under Task 1) which may emerge from the review of the documents; and draft indicators for the research questions listed in Section A.

The *Draft Summary of the Project Documents* shall be due no later than 10 business days after the beginning of the contract. USAID will review the *Draft Summary of the Project Documents* within five working days; the Contractor shall prepare the *Final Summary of the Project Documents* in one business day, except as the CTO may otherwise agree in writing.

During the fieldwork in Slovakia, the Contractor shall provide oral summaries of the interviews conducted in the course of the evaluation. The summaries shall be shared with the USAID team members in regular team meetings during the fieldwork.

Upon completion of the fieldwork, the Contractor shall be responsible for compiling the draft and final reports. The *Draft and Final Reports* shall include the following: the Executive Summary, three chapters (the Contractor shall be the principal drafter of the chapter on institutional sustainability); findings, conclusions and recommendations, and appropriate annexes. The Contractor shall be responsible for reviewing the chapters prepared by team members, and for editing and producing the reports. He/she shall have full responsibility for producing the final evaluation report.

The *Draft Report* shall be due no later than 15 working days after the field work is completed. USAID will review the *Draft Report* and provide written comments within 5 working days. The *Draft Report* will be reviewed by USAID Slovakia, EE/LGUD and EE/PCS. The Contractor shall submit the *Final Report* within five (5) working days upon receiving USAID's written comments. The *Final Report* shall be due no later than August 30, 2000.

The Office of Policy Coordination and Strategy in The Europe and Eurasia Bureau (E&E/PCS) and USAID Slovakia will be responsible for distribution of the *Final Report*. The Contractor shall provide EE/PCS with twenty-five hard copies and one electronic version on disk, in Word 5.1, of the *Final Report*. EE/PCS will be responsible for forwarding one hard copy and an electronic version of the report to the Center for Development Information and Evaluation (CDIE).

### **LOE and Expertise Required**

This delivery order requires the services of one senior-level Urban Development/Local Government specialist with at least 15 years of experience with USAID-financed local government programs in a range of countries. The Contractor must have excellent general knowledge of local government and urban development programs, as well as substantial experience in designing and implementing evaluations of local government projects. Direct experience in urban development and local government projects in the E&E region is required. Familiarity with the design and implementation of training

programs for municipal officials, and excellent writing and report preparation skills are also required.

*Task One*

The Contractor shall work as a member of the team during meetings in Washington to review and summarize the project documents and other background information. From the summary shall come a listing of the goals and objectives of the project, the outputs of the various components of the project, a list of additional research questions, if needed, draft indicators for all the research questions, including those listed below.

1. How and to what degree did the project attain the goals and objectives that were established by USAID
2. What were the concrete impacts in the three main project areas?
  - Decentralization and policy reform
  - Improved capacity to deliver services, practices, knowledge transfer, and institutional development?
  - Institutional sustainability of
    - (a) the regional training institutions
    - (b) the Non Governmental Organization (NGO); and
    - (c) the three local government associations: Zemos, Umos, and the Association of Municipal Finance Officials.
3. What aspects of the program had the largest impact in terms of attaining goals and objectives?
4. How sustainable is the training provided to local government technical and elected staff by the regional training institutes: the Local Government NGO, the Finance Officers Organization, the municipal associations, and the intergovernmental commissions
5. How did USAID project activities influence or lead to specific changes?
6. What project impacts have proven to be sustainable post-project (goals achieved or impacts attained since USAID funding ceased which can be attributed to work undertaken during the life of the project)?
7. What concepts, ideas, methodologies, or institutions introduced by the project have been used and/or replicated?
8. Which institutions, that were assisted or which participated as implementers, are now sustainable, financially and substantively, to continue to further the goals of the project?
  - What services and activities do they now offer?
  - Is there a demand for services and from whom?
9. What are the successes and failures of the program and what could have been done differently?
10. What are the lessons learned, which may be applicable to local government, programs

elsewhere in the region?

When individual-level impacts of the activity are being analyzed, data will be collected and reported on differentially for men and women.

***Task Two***

The Contractor shall travel to Bratislava, Slovakia to work with the team to gather data on the evaluation indicators through interviews with key stakeholders in the project. These individuals may include, but are not limited to, current USAID project staff, individuals trained through project activities, association leaders and members, local government officials, other beneficiaries of the activities of the associations, NGO, and training institutions, and national level government officials. The Contractor may also need to contact former USAID staff via an email questionnaire. Travel to cities to interview city officials may be needed.

**Task Three**

The Contractor shall be the principal author of the Executive Summary and chapters of the report on institutional sustainability. The Contractor shall review chapters written by other team members and shall serve as general coordinator and editor of the final report. The Contractor shall also prepare success stories as appropriate.

## USAID/Slovakia Local Government Strategic Objective

SO 2.3 More Effective, Responsive, and Accountable Local Government

IR 2.3.1 Improved  
Capability to  
Deliver Services and  
Manage Resources  
Efficiently

IR 2.3.2 Improved  
Capability for  
Public Outreach  
and Citizen  
Involvement

IR 2.3.3 Increased  
Decentralization and  
Rationalization of  
Authority and  
Resources

IR 2.3.1.1 and 2.3.2.1  
Strengthened Local Government Training  
Institutions

IR 2.3.1.2 and 2.3.2.2  
Strengthened Local Government Professional  
Associations

IR 2.3.3.1

Strengthened  
Representation of  
Local Government  
Interests

## Impact of the Training Courses

The training courses provided by the SLGP in Slovakia were acknowledged as appropriate for Slovak local government officials at a critical juncture in the development of the country. Most observers agreed that the training that local government officials and staff received during this difficult political period contributed to solidifying the base for local government.

### Application of Training in Local Governance

- An early evaluation (Focus:1997. p 10-12) of the management training Courses provided several pages of examples of how trainees were specifically applying their training to improve their local government and the “surroundings in their communities. In addition, the FOCUS report identified significant changes in the personal lives of the trainees, as well.
- A Deputy Mayor of a medium-sized town said that many of the techniques taught in the course were being applied in an “ad hoc” fashion by local government officials. “The greatest value of the USAID-sponsored management training was that the course provided a theoretical framework for organizing the techniques which made it possible to focus his work more consistently,” he explained.
- The Vice-Mayor of the City of Zvolen, a self-described “technocrat,” took the *Management of Change* course. The methodology and the material covered in the course “caused profound positive change in his values of governing,” he said.
- For the President of the Association of Finance Officers, participating in USAID’s programs “changed her life and also the local government scene, an opinion shared by many of her colleagues,” she said. Most have made “huge changes in the financial management practices in their municipalities.” She participated in a study tour to the U.S. for association leaders in 1996, where she learned how to establish an association and also received financial management training. “There were no real financial management procedures at this time in Slovakia, even after five years of local government, and the profession had not advanced,” she noted.
- The Director of the Institute of Housing applied the information she learned from USAID training when she worked on the new mortgage law for Slovakia. She participated in a USAID study tour to the United States.
- A mayor active in ZMOS said that he sees a difference between the people who have been trained through LSGAC and those who have not. “The LSGAC-trained officials are more articulate and are more open with the public – they tend to share information more.”

- The Vice-Mayor of Karlova said that they want public participation in Karlova and the local government is working hard to share much more information with the public. The town publishes a monthly newsletter that is distributed to every household. He attributed this new openness to the training that he had received.
- The Vice Mayor of Zvolen indicated that the city had just signed a contract with a group of NGOs that are relatively active in the town. He expects that this will help in information dissemination and public participation issues. Zvolen has its own weekly municipal newspaper that it sells in the newsstands with a circulation of about 3,200. This provides a good source of information to the towns 15,000 households (population of 44,000). They also have a TV information channel. “The training in 1996 led directly to the establishment of the newspaper.” he said.
- The Zvolen Vice Mayor also said an additional 135 villages and towns are located in the district. From 1996 – 1998, a total of 420 persons attended training from among the elected officials and staff in these towns. Their opinion was that it had been a success. It had taught them how to better communicate with the citizens and how to better present themselves. For them the project ended with the *Good Morning Local Government* project. He added, “The training is really missed now because the smaller towns can not afford to do training now. The RTC lacks money and now focuses on running workshops on new legislation.”
- The President of the AFO, who is the Finance Officer for Lucenec, took one team member on a walking tour of the town to show the transformation of one area that had been very run down and used for transient housing, as well as adjacent green fields. This area is in the center of town almost and the city had transformed it through creating some public private partnership into a market, shops, and housing. It was thriving and very impressive. Housing was provided for those who had lived there but further out from the center of town.
- Citizen involvement has resulted in specific activities for children. The Mayor of Lucenec instituted two competitions, one for primary school and one for secondary school students. The children are asked to draw and describe how they would like to see their city changed. They have come up with a number of ideas. The Mayor responded by including 300,000 sk in the budget as a direct result of one of the suggestions, to have place for roller blading.
- The city is also renovating the old Synagogue in town, also a suggestion from some teenagers. The city is supporting the idea and is helping raise funds.
- Increasing citizen participation, one Mayor said, will take a long time, as the centralized approach did not encourage this before. People need to understand their own responsibilities. However, the local government is encouraging citizen participation by attending public meetings. The town also has a municipal radio and a municipal TV station that reach 60 percent of the residents. They also publish a

magazine monthly, and hold a press conference after each Council meeting, at least 6 times a year. These specific actions stem from the importance of increasing citizens' involvement, learned in the training.

- USAID, the Mayor said, might take some credit for this. USAID helped confirm that what the city had already started was on the right path, a validation for them. This attitude describes the lack of self-confidence held by many officials of the local governments, perhaps because they were not used to making decisions completely on their own. The MEL and other courses significantly increased officials' self-confidence.
- Another former trainee said that the training helped prepare ZMOS, the Association for Local Government, for the changes that are occurring now. The political environment before 1998 was not hospitable for local government. The trips to the US were useful because they gave people a chance to see how local government worked in a democratic environment. The analyses on water and sewer helped, as did the handbook on local government.

### **Impact of the Good Day Local Government Program**

Several respondents reported that the Good Day Local Government was an extremely important exercise because:

- “It strengthened cooperation among elected officials at the local level.
- “In studying the handbook, I found it was new and a real breakthrough in terms of providing information for local officials.” said another official. “The manual had an important impact on the local parliaments. Newly elected members read it and are better informed. The old members had a tendency to put it aside because they thought they knew it all. The attitude of the newly elected Councilors has made it easier for all to work together.”
- One City Manger observed that the program contributed to improving the capacity of newly elected mayors. He also observed that education was improving in Slovakia, so this was not the only factor leading to improved human capacity at the local level.

### **Spread Effect of the Training of Trainers: Outreach Through Slovak institutions**

- University of Nitra: The Department of Economics at the University of Nitra has invited two new faculty members to teach a course on local finance. The two professors are Financial Officers for two local governments. Both were trained as trainers of the Financial Management course designed by LSGAC.



- Institute for Regional Development of Towns and Villages (IROMAR): The Director of IROMAR was trained as a Trainer of Trainers for the Local Government Manual. She was also the author of the manual on budgeting for local government. She now uses this information in her work with the Institute, thus allowing the concepts to be taught to many more people than were reached through the initial LSGAC courses.
- The project manager for the LSGAC financial management training was an assistant professor at the University of Economics. She is also an associate member of the Association of Financial Officers (AFO). She now includes the material in her course at the university. The course content is also being used by a professor at Banska University.
- There is also now an effort to establish a separate faculty of Public Administration at the University of Bratislava and if this is successful, financial management for local government will be a part of it. It is therefore clear that the initial training has spread into established institutions of higher education.

### **Spread Effect of the Training Courses: Outreach in the Region**

- Regional Course on Financial Management in Romania: One of the trainers for the Financial Management Course was sent by the LSGAC program to participate in a regional course on Financial Management as a trainer. The program, held in Romania, was taught in English, which the Slovak trainer spoke well.
- Training manuals were provided to other USAID/local government programs in Ukraine, Bulgaria, and Moldova.
- Association of Finance Officers (AFO) was the main organizer, with LSGAC, of the World Bank sponsored FDI conference last year in Bratislava, which was considered very successful. There were over 100 participants from Slovakia alone, as well as many others from 17 countries, from the U.S. to Kazakhstan. AFO presented its model of association building and manuals. The president was very proud of this achievement, because it brought them recognition and was a chance to demonstrate their training results

### **Impact of the Study Tours**

The core value of all of the U.S. based training, of whatever duration or content, is exposure to the U.S. business and political culture and lifestyle. With fundamental roots in a democratic market economy, exposure to the U.S. culture offers the participants from CEE countries insights into different approaches and possibilities. These kinds of insights and experiences seldom show up in specific impacts or actions, but rather may have a general influence in how participants react to challenges. Participant training is uniquely well suited for this purpose.

Selected examples of impact of the LSGAC study tours, reported by participants, follow:

- In the City of Trnava, one of the Mayor's Vice Presidents said that a number of changes were instituted as a result of his study tour. They do their budget differently. They now have investment goals and a clear strategy for raising revenues.
- The *Good Day Local Government* project was created by two local government trainers following a study tour to the U.S. in the summer of 1997. LSGAC supported the idea and further developed the project.
- The General Secretary of the Union of Towns and Cities participated in a "well prepared" study tour that looked specifically at models of regional public administration. Accompanied by the Minister Plenipotentiary for Decentralization, as well as representatives from other Ministries and MPs, the group was particularly interested in the fiscal decentralization issues and gained much from seeing the various American models. The primary objective of the tour was to develop additional arguments for decentralization as well as to look at the tax systems in a federal/state system. While the reform will be based upon European models and traditions, some of the American examples are applicable. Of particular interest were:
  - the American systems for provision of services;
  - the U.S. education model, where local education districts have considerable powers;
  - the idea of having administrative and judicial courts at the local level; and
  - the system of block grants, although they were more in favor of having citizen control, rather than simply passing it to the intermediate level.

Historically, he saw many parallels between the Slovak tradition of local government, which had really started in some ways in the 1200s, and the American system, much younger as it is.

- Another member of the Union of Towns and Cities visited Massachusetts and Maine. She said the Slovaks did not want models but rather to learn. The tour inspired confidence and enthusiasm, because they saw new practices that they thought they could do. They saw that they didn't need the State Administration to do these things, but rather that even small villages could do things on their own.
- The Director of Economic Affairs from one municipality participated in the study tour with leaders of the Association for City Managers and the Association for Financial Managers. At the time, he said, the cooperation with AFO was not that good. During the visit to the U.S., they saw the benefits of greater collaboration between the two organizations and that began to increase upon returning to Slovakia. One result was that ZMOS asked the AFO to prepare comments for the Ministry of Finance on financial issues affecting local government. They also learned about how to lobby central government and have made use of this.

- The City Manager in one Bratislava borough had been on a study tour for two weeks in 1997. This led to an exchange with the city police in Goodyear, Arizona. The police chief came to Slovakia to help the City Manager and there are still contacts with the Mayor there. He felt that all the participants had changed their attitudes as a result of the trip.

## **Persons and Organizations Consulted in Slovakia**

### **Consultations by Bonnie Walter**

#### Government of Slovakia

Mr. Jozef Miks, Director of the Office of Regional and Local Government  
Ministry of Finance

Mr. Milan Hort, Member of Parliament  
Vice Chairman, Committee for Public Administration

Mr. L. Molnar  
Ministry of Construction and Regional Development

Mr. Vladimir Podstransky, State Secretary  
Ministry of Finance

Judr. Miroslav Ciz, National Council of the Slovak Republic

Dr. Dusan Sveda, Director of Legislative Department  
Ministry of the Interior

Mr. Ivan Budiak, State Secretary  
Ministry of the Interior

Ms. Monika Cemanova, State Secretary's Office  
Ministry of the Interior

Mr. Peter Bercik, Advisor  
Secretariat of Governmental Commission for Public Administration  
Ministry of the Interior

Mr. Peter Benes  
Association of Public Works Officials

Mr. Roman Sipos, State Secretary  
Ministry of Construction and Regional Development

Mr. Viktor Niznansky, Government Advisor Plenipotentiary  
Commission on Public Administration Reform  
Director, MESA 10

Mr. Gejza Balogh, General Secretary, ZMOS

Donors

Ms. Andrea Reidy, Second Secretary  
British Embassy

Ms. Alena Panikova, Executive Director  
Open Society Foundation

Ms. Katerina Staronova, Law and Public Administration Coordinator  
Open Society Foundation

Ms. Anastazia Kozakova, Decentralization Advisor  
UNDP

Professor Kenneth Davey  
British Know How Fund

Mr. Felix Mittermayer, Public Administration Coordinator  
EU PHARE

Mr. John Farrow, Public Administration Director  
Canadian Urban Institute

USAID Staff

Ms. Maria Mamlouk  
Acting Mission Director Bratislava

Dr. Zdeno Cho  
Ex-USAID Bratislava

Mr. Loren Schulze  
Ex-USAID Bratislava

Contractors

Mr. Karol Balas Jr (RTI)

PhDR. Luba Vavrova (ICMA)

Mr. Kenneth Mahoney (RTI)

**Consultations by Janet Kerley**

RTC Directors

Ms. Petra Matejcikova, Director Regional Training Center, Rovinka (serves Bratislava and surrounding area)

Margita Svarcova Director, Regional Training Center, Nitra

Dr. Dusan Gallo, Director, Regional Training Center, Martin

Foundation for Training in Self-Government of Slovak Republic

Dr. Terezia Palikova, Director

Ms. Viera Vojtassakova, Training Coordinator

Other Training Related Persons

Dr. Josef Harvancik, Trainer, General Management Course

Dr. Helene Spisiakova, lawyer and author of one chapter in Good Day Local Government Handbook

Dr. Jozef Mikus, Vice Mayor of Zvolen

Ms. Olga Gyarfasova, Researcher, Focus. Center for Social and Market Analysis

Professor Igor Travník, Head of Department, Faculty of Civil Engineering, Slovak University of Technology

Professor Koloman Ivaneka, Faculty of Civil Engineering, Slovak University of Technology

Boris Strecansky; Director, Environmental Training Program, Slovakia

Ms. Regina Connor, Manager, Development Projects, KNO Slovensko

Mr. Ivan Dianiska, Director, Focus, Center for Study

USAID

Kathy Stermer

Robert Bodo

Loren Schultze

Ken Mahoney (RTI)

Focus Groups

<i>Name of Organization/Town</i>	<i>Number of Participants</i>
Association of City Managers	5
Trainees from Nitra	13
Trainees from Martin	12
Trainees from Trencin	4
Trainees from Zvolen	7
Trainees from Trnava	5
Participants in ongoing training program (2 groups)	13

Regional Training Centers

Nitra

Trencin

Martin

Trnava

Robinski

Zvolen

Interviews with 20 Individual Trainees

Questionnaires from 27 Individual Trainees

Board Members of the Association of City Managers

**Consultations by Michael Lippe**

USAID

Maria Mamlouk, Acting USAID Director

Zdeno Cho, ex-USAID

Association of Towns and Cities (ZMOS)

Ing. Milan Muska, Vice President and Mayor of Vranov nad Topľou

Gejza Balogh, General Secretary

PhDr. Ol'ga Gafrikova, Head of Public Relations

Union of Towns and Cities (UMOS)

Marian Minarovic, General Secretary

Association of Municipal Finance Officers

Eva Balazova, President

Association of City Managers

Dip. Ing. Jozef Harvancik, City Manager of Karlova Ves

The Institute of Housing

Jaroslava Zapletalova, Director

Local Government Development Center

Dr. Luba Vavrova

City of Trnava

Dipl. Ing. Stefan Bosnak, Mayor

Vladimir Butko, Vice Mayor

Eduard Cechovic

Hana Dienerova, Municipal Finance Officer

Andrea Nemcova, Secretary, Regional Training Center

City of Zvolen

Focus Group consisting of the Vice Mayor of Zvolen, the Financial Director, and the City Auditor. The remaining four were Mayors from smaller villages.

City of Trencin

Frantisek Jezik, Manager, Trencin Joint Stock Company

Jozef Ziska, Mayor of Trencin

Donors

Ken Davies, Consultant, British Know-How Fund